

OFFICE OF THE AUDITOR GENERAL BELIZE



Special Report on the Soybean Project of Belize



**OFFICE OF THE AUDITOR GENERAL
BELIZE**



Special Report
on the
Soybean Project
of
Belize

TABLE OF CONTENT

AUDIT RATIONALE, OBJECTIVE AND APPROACH	1
Audit Rationale	1
Audit objectives.....	1
Audit Approach	1
AUDIT SCOPE AND CRITERIA.....	2
Audit Scope.....	2
Audit Criteria	2
CHAPTER 2.....	4
Executive Summary	4
Introduction.....	7
Project Objectives	8
Contracts	9
FINDINGS.....	9
Feasibility Study and Project Document	9
Location of Soybean Project	10
Consulting Services	10
Caribbean Agricultural Research and Development Institute (CARDI) ..	11
Cancellation of Corn Mill Plant	12
Loss of Lease Payment (\$642,016.00)	14
Loss Based on Appraisal of the Soybean Project (\$1,472,071.00)	16
EXAMINING GOVERNMENT OBJECTIVES	18
Objective i	18
Objective ii	18
Objective iii	19
Objective iv.....	19
Objective v	20
Objectives vi-viii	21
CHAPTER 3.....	22
Interviews.....	22
CHAPTER 4.....	28

MACHINERY & EQUIPMENTS & SPARE PARTS	28
SPARE PARTS & EQUIPMENTS.....	31
Vegetable Oil Refinery Parts	32
RECOMMENDATIONS.....	36
CONCLUSION.....	37
APPENDIX – A-E.....	39-72

CHAPTER 1

AUDIT RATIONALE, OBJECTIVE AND APPROACH

Audit Rationale

The Soybean Project was a project borne out of the Ministry of Budget Management during the period April and March 2000. There were four government agencies involved in the implementation; that is the Ministry of Budget Management, Development Finance Corporation, Ministry of Agriculture and the Belize Marketing Board Corporation.

- 1.1. It was noted that during the period January 2001 to July 2003, the sum of \$19,368,984.34 was spent on the project. Further, this project was not COMMISSIONED and the equipments that were purchased to provide assistance to farmers involved in the project were removed from the project. Some of these equipments were eventually sold.
- 1.2. As a result, the Office of the Auditor General conducted an investigation of the project to determine:
 - The level of commitment of each participating agency.
 - What system was in place to safeguard Government funds
 - Why the plant was not commissioned.
 - Why the assets were removed and sold.
 - Whether the project met its intended purpose.

Audit Objective

- 1.3. The audit objective was to determine whether government got value for its money and if the project's intended purpose was met.

Audit Approach

- 1.4. The approach to this audit was to gather information through the analysis of testimonial, documentary and physical evidence from both internal and external sources.

Testimonial

The Audit team conducted interviews with the following individuals:

- (i) The then Financial Secretary and senior officials of the Ministry of Finance and the Ministry of Budget Management;

- (ii) The Chief Executive Officer and senior officials in the Ministry of Agriculture;
- (iii) Private investors
- (iv) General Manager Belize Marketing and Development Corporation

Documentary

- (i) Records, including receipts of funds, Cabinet papers relating to the project, correspondence from Contractors and other pertinent records related to the project were obtained from Ministry of Finance.
- (ii) (ii) Records were secured from Ministry of Agriculture identifying the progress of the project.
- (iii) Although the Belize Marketing and Development Corporation could not provide many supporting documents to support its activities in relation to the Soybean Project, some expenditure records supporting the project were received from the Corporation.
- (iv) Disbursement of funds as well as sale of assets information was received from the Development Finance Corporation.

AUDIT SCOPE AND CRITERIA

Audit Scope

- 1.5. The audit covered the period December 2000 to March 2007 and the focus of study was to look at the following objectives and form an opinion thereon.
- The roles and responsibility of the entities involved with the project;
 - Whether Government got value for its money;
 - Whether the intended purpose was achieved;

Audit Criteria

- 1.6. The below Audit criterion was developed based on Government's objectives. Audit believed that these objectives were reasonable basis for an assessment to be made.
- I. To provide alternatives for income and employment for the farming community in rural areas.
 - II. To diversify the sector by sizable expansion of soybean production.
 - III. Reduce import of animal feed and lower the cost of animal feed

- IV. Re-opening the Libertad Sugar Factory.
- V. Increase the productivity and competitiveness of corn and soybean production.
- VI. Increase efficiency of corn and soybean production through alternative plantations to preserve good soil characteristics.
- VII. To export soybean feed and soybean oil.
- VIII. To develop an organic plantation of soybean for export of human food to U.S.A. and Japan.

CHAPTER 2

Executive Summary

2.1. A preliminary investigation into the project by Audit in August of 2006 disclosed the following:

- a. On 20th February 2001, the Government of Belize (GOB) approved the implementation of a \$10.5 million project for the development of the Soybean industry in Belize. This involved production and marketing of soybean. The government expected that this project would boost the manufacturing and services sectors of the economy.
- b. The Government of Belize had entered into seven contracts. Five with N.V. De SMET of Belgium for US \$4,122,387.00 for a Soybean Crushing Plant, a Soybean Refining Plant, a Corn Processing Plant, a Vacutainer and Comil Silo/Drying/Cleaning Equipment. The contracts would be financed by **Commerzbank of Belgium S.A./N.V.**
- c. Two contracts were also signed with New Holland Company through **Supplier Financing** for machinery and equipment amounting to US \$1,632,167.00 in addition to US \$ 732,653.39 and US \$139,901.00 respectively for the payments of interest and insurance.

<u>CONTRACT</u>	<u>Date Signed</u>	<u>Description</u>	<u>Amount US\$</u>
Comil Silo	?	Cleaning/Drying/Storing Plant	\$643,287.00
De Smet Rosedown UK	1 st August 2001	Crushing Plant	\$1,645,600.00
De Smet Rosedown UK	1 st August 2001	Oil refinery plant	\$1,028,500.00
De Smet Rosedown UK	1 st August 2001	Corn processing plant (cancelled and converted to other works)	\$485,000.00
De Smet Rosedown UK	Cancelled	Vacuum Process plant	\$320,000.00
New Holland	?	Machinery & Equipment phase 1	\$846,881.00
New Holland	?	Machinery & Equipment phase 2	\$785,286.00
		TOTAL	\$5,754,554.00
Interest Payment			\$ 732,653.39
Insurance premium			\$139,901.00
		GRANDTOTAL US \$	\$6,627,108.39

- d. The financing of this project was estimated at **US\$ \$6,627,108.39**. However, financing was received from two sources, being 85% financing from the **Commerzbank of Belgium S.A./N.V** amounting to US\$4,891,370.90 and 15% from the Government of Belize amounting to \$US 863,183.10.
- e. The Government of the Republic of China (ROC) had earmarked US\$ 4,500,000.00 dollars or Bze \$ 8,982,900.00 dollars for the Soybean Project which was disbursed over a period of time as shown below.

<u>Fiscal Year</u>	<u>Grant</u>	<u>Date Received</u>	<u>US \$</u>	<u>BZ \$</u>
2000/01	Rehab Libertad factory (1 st Disb.)	17/10/00	1,000,000.00	1,996,200.00
2001/02	Rehab Libertad factory (2nd Disb.)	9/4/01	1,000,000.00	1,996,200.00
2001/02	Grant in support of Soybean Project (3 rd Disbursement.)	25/3/02	1,000,000.00	1,996,200.00
2002/03	Grant in support of Soybean Project (4 th Disb.)	17/12/02	1,000,000.00	1,996,200.00
2003/04	Grant in support of Soybean Project (4 th Disb.)	19/1/04	500,000.00	998,100.00
		<u>TOTAL</u>	<u>4,500,000.00</u>	<u>8,982,900.00</u>

- f. Audit noted that while the project was estimated at **US\$ \$6,627,108.39 or \$13,229,034.00** Bze dollars **audit saw** expenditures of **BZ \$19,368,984.34** which is **\$6,139,950.34** over the estimate as shown at paragraph 4.1 which is a compilation of actual expenditure.
- g. There were four major partners in implementing this project. The Ministry of Finance provided the financial resources and managed the debt servicing aspect of the project. The Ministry of Agriculture provided technical support to the project, Development Finance Corporation (DFC) was the Financial Intermediary and the Belize Marketing Board was responsible for implementation, marketing and the production process.
- h. The project should have been commissioned in January 2002. At the 31st March 2007 the project was still not commissioned and

Government was in the process of disposing of the facility through a lease/purchase agreement to NUTRISOYA BELIZE LTD for BZ \$9,750,000.00.

- i. A thorough investigation by the Office of the Auditor General revealed that the Government of Belize suffered a loss of \$3,418,147.41 representing cash and non- cash assets invested in the Soybean Project up to the time it was reviewed as shown below.

Description	Amount
Vacutainer 1 st installment	\$642,016
Valuation variance	\$1,472,071.00
2- Canibalized Combines	\$162,872.8
Cancellation of Corn Mill	\$973055.50
Sale of Equipment	\$140,653.76
Unaccounted Refinery Parts	\$27,478.35
TOTAL	\$3,418,147.41

- j. On the basis of documentation examined and interviews conducted, our conclusions were that the losses were due to the following: -
 - i. Failure of the Government to properly assess and consider the known factors that would have impacted negatively on the project's operations.
 - ii. Failure of the Government to take adequate measures to secure its investments, which had contributed to the project's demise.
 - iii. Failure of the coordinating agencies to work cohesively to ensure the success of the project.
 - iv. Failure to prepare proper inventory of equipments and spare parts.

Introduction

- 2.2. During the period March through May 2000, Government of Belize embarked on creating the Soybean industry. Officials of the Ministry of Budget Management and Ministry of Agriculture met with consultants from Brazil to get the project off the ground. Brazil is the second largest and most successful producer of Soybean in the region.
- 2.3. The Consultants Airquip Exportadora e Importadora Ltda of Brazil conducted a pre-contract study in April of 2000 in Belize and presented its findings to the Ministry of Budget Management along with recommendations of machineries and equipments needed for the project. See appendix “A”
- 2.4. The project was performed in two parts, that is, the main project included the pilot project of Perfecting Project Document and Planting/Harvesting 1000 hectares and the Follow-Up Project up to 10,000 hectares or 25,000 acres. The Follow-Up Project, which is the production component, would be implemented into two phases, first, planting 4000 hectares and then 6000 hectares of soybean in the second phase.
- 2.5. The processing component of the project required the purchase of machinery and equipment for each of the two phases as laid out in the machinery and equipment section of this report.
- 2.6. The purpose of growing soybean was to make **Soy Meal** and thereafter further processing the meal into soy oil. It should be noted that while preparations and decisions were made to produce soybean meal as laid out in the project objectives, it was later learned that the project should be producing soy oil and the waste would be further processed into soy meal. This lack of foresight of the production process would have serious financial implications on the project.
- 2.7. In December 1999, an analysis of Soybean, Soybean Meal and Soybean Oil Production in Belize was done by TRADE AND INVESTMENT PROMOTION SERVICE, a statutory organization of the Government of Belize.
- 2.8. The report identified some important findings that would affect the production of Soybean in Belize as highlighted below:
 - a. Soybean is marginally profitable
 - b. It was not a crop for small farmers, as they would not have the proper equipments.
 - c. The industry would need high government subsidy to encourage production.
 - d. Proper storage facility for increased production would be needed.

2.9. In September 2001, the Ministry of Agriculture conducted a feasibility study on the Soybean project. **This study was done after all contracts were signed and commitments made.** This study also revealed that certain aspects of the project were not economically feasible or non-productive as laid out below.

- “ A crushing process which separates some of the oil content in order to produce oil for human consumption was not recommended due to small forecast production of 3090 tons/annum”. It was recommended that the oil treatment be outsourced.
- The Oil Refinery for Extraction was not recommended, as a small plant would be producing about 40,000 lbs of oil/ day.
- The leasing of the Vacuum Packaging Machine would only be feasible if soybean production was over 10,000 acres. This target production had not been reached and therefore this equipment would be greatly underutilized.
- The Processing, Drying and storage silos were too large. “The equipment needed to be compatible and competitive with present rates charged by the private sector”.
- There was no need for a Corn Mill component unless it could be modified to a corn flour processing plant.

Project Objectives

- i. To provide alternatives for income and employment for the farming community and rural areas.
- ii. To diversify the sector by sizable expansion of soybean production.
- iii. Reduce imports of animal feeds and lower the cost of animal feeds
- iv. Re-opening the Libertad Sugar Factory.
- v. Increase the productivity and competitiveness of corn and soybean production.
- vi. Increase efficiency of corn and soybean production through alternative plantations to preserve good soil characteristics.
- vii. To export soybean feed and soybean oil.
- viii. To develop an organic plantation of soybean for export of human food to U.S.A. and Japan.

Contracts

- 2.10. Contracts for the construction of the building to house the processing plant and the erection of the silos were prepared. Contractors were invited to bid for the works through the selective tender process. Two companies, namely, Santa Cruz Development Company and Hillside Welding Center were awarded the contracts to construct and erect the building and to provide welding services respectively.
- 2.11. Audit received copies of the contract documents for both Santa Cruz Development Company and Hillside Welding Center. These contracts were for Civil Works, Soybean Refinery and erection of Soybean processing plant as outlined below:
- a. Santa Cruz Development Company was contracted to perform civil works for the Yo Creek Soybean Refinery Project. The value of the contract was \$1,571,497.20. This was signed on 29th July 2002, and the same company was contracted for the Soybean Storage Project for \$1,758,139.11.
 - b. To date, Hillside Welding, contracted to perform welding services was paid \$508,540.44 although the contract was for \$593,000.00.

FINDINGS

Feasibility Study and Project Document

- 2.12. Audit noted that budgets and projections were prepared in respect of the Soybean Project at varying times. Audit asked whether a feasibility study had been done and whether a project document was prepared. We were told by officials in the Ministry of Finance that at the inception of the project, those documents were not prepared. It was after the contracts were signed, that an official from the Ministry of Agriculture, had done a study in September 2001.
- 2.13. Audit, through its investigation, had found a pre-contract document that was prepared by the Consultants in April 2000. This document was more a report on a fact-finding mission where broad statements were made with regards to soil, drainage, equipments and location for the demonstration plots.
- 2.14. It was on the strength of this pre-study report that contracts were drawn up for the purchase of seeds, equipments and silos from Brazil. It was also noted that the consultants were involved in the procurement of both the machinery and the equipments.
- 2.15. Audit found it interesting that a project of this magnitude did not have the basic studies to guarantee smooth running, efficient use of resources and timely completion of each component. As noted earlier Trade and Investment

Promotion Services had written a document on the production of Soybean in Belize, which had pointed out some difficulties in undertaking that kind of project.

- 2.16. At the time of the negotiations, Audit evidence revealed that those discussions were taking place between the Minister of Budget Management and the consultants. Audit could not find any documents or correspondence that suggested that technocrats were sent to Brazil to see what was being procured.
- 2.17. In fact all purchasing arrangements with regards to the Storage and Processing facilities were left up to the consultants as laid out in their memorandum to the Ministry of Budget Management on the 28th February 2001.

Location of Soybean Project

- 2.18. Discussions with officials of the Ministry of Finance and Ministry of Agriculture revealed that the Libertad Sugar Factory had been identified as the site to house the Soybean Plants. This facility had existing assets that would have been beneficial to the Soybean Project. These assets included buildings and silos. We were told that a decision had been made not to use the Libertad Sugar Factory as there were other plans for that facility and that the Soybean Project was to be moved to Yo Creek Agriculture Station.
- 2.19. This new development had serious impact on the project as cost of housing the plants at a new location and the erection of silos would require the construction of a building to house the project plants at a cost of **\$3,727,807.57**.
- 2.20. Also, the decision to relocate the facility would require a study of the surrounding farmlands to determine whether the soil is suitable for the growth of soybeans. The farmers' ability to harvest and transport soybeans to the plant in an economical and efficient way would also be a factor to consider. That is, the farther away from the storage and processing plants the higher the costs.

Consulting Services

- 2.21. On January 4th 2001, *Airquip Exportadora e Importadora Ltda(Grupo Monteiro Aranha)* the consultants, submitted their acceptance letter to the Ministry of Budget Management which sets out the implementation of the pilot project of perfecting Project Documents and planting and harvesting

1000 hectares at a cost of US\$ 200,000.00. Payments were to be made as follows

- a. 20% down payment (January 3rd 2001)
- b. 20% project document with specifics (January 31st 2001)
- c. 20% planting and initial procurement completed (May)
- d. 40% completion of pilot project and confirmation or amendment of project document.

2.22. Also in the letter was a FOLLOW UP PROJECT which included the planting of up to 25,000 acres of soybeans and the transfer of Know-How which upon success and mutual agreement would cost the Government of Belize US\$ 400,000.00.

Caribbean Agricultural Research and Development Institute (CARDI)

2.23. CARDI is a research institute that develops and promotes the growing of soybeans and other products in Belize . This institution had grown various varieties of soybean and holds a wealth of technical knowledge and expertise in soybean production.

2.24. Discussion with the Director of CARDI revealed that at the inception of the project, they were invited to a meeting with the consultants in which they had raised pertinent questions to the consultants, which at the time, they could not answer. The Director further explained that they were not invited to subsequent meetings. They were not a part of the Soybean project until about two years later when the project began experiencing difficulties.

2.25. On the 15th May 2002 CARDI was contracted to “provide technical assistance and support for the successful implementation of the soybean project through the development of appropriate soybean production and processing systems in Belize”.

The terms of the contract was to, among others:

- a. Provide direct technical assistance to the farmers involved in the soybean project.
- b. Recommend selected improved high yielding varieties for target areas and specific planting season”
- c. Ensure technology transfer through on-farm demonstrations and training workshops to producers and extension agents.
- d. Develop and publish a comprehensive Soybean Production Manual geared towards soybean producers.

2.26. The value of this contract was Bz \$70,000.00 and was to commence on the 15th May 2002 for a period of one year. Based on the above given

information, Audit is of the opinion that the Government of Belize did not receive value for its money from the consultants as they should have been the group to provide the services being contracted from CARDI.

2.27. Also, on the 18th May 2002 and 17th June 2002, The Government of Belize made payments to TUXXORD, an associate of the consulting company in the sum of Bz \$160,507.00.

2.28. It is also Audits opinion that the additional expenditure to CARDI could have been avoided if the consultants were made to provide that service during their contract negotiations.

Cancellation of Corn Mill Plant

2.29. Due to the non-participation of the technocrats from both CARDI and the Ministry of Agriculture at the project's inception, there were serious financial setbacks and losses as outlined below.

2.30. On August 1st 2001, the Government of Belize signed contracts with DE SMET Engineers & Contractors N.V. for the purchase of a Crushing Plant, Soya Oil Refinery Plant and a Corn Mill Plant at a cost of US \$3,159,100.00. Also on the 3rd August 2001 the contract for the Comil Silo/Drying& Storage Plant was signed as outlined below.

Description of Plant	Cost US \$	Cost Bze \$
Soya Crushing Plant	\$1,645,600.00	\$3,301,567.20 (1,645,600*2.0063)
Soya Oil Refinery	\$1,028,500.00	\$2,063,479.50
Corn Mill Plant	\$485,000.00	\$973,055.50
ComilSilo/Drying& Storage	\$643,287.00	\$1,290,626.70
TOTAL	\$3,802,387.00	\$7,628,728.90

2.31. On November 23rd 2001, four months after signing the Corn Mill contract, DE SMET Engineering & Contractors vide memo LE2153/ICH/545953, SOYBEL SAFEBEL informed the Ministry of Finance that they had agreed to amend the contract for the Corn Mill and to cancel and replace it for the **same value** (\$485,000.00) with additional supplies which included laboratory equipments for the Soybean Project.

2.32. On the 4th December 2001 vide memo A/2202/01(47), the Ministry of Agriculture, Fisheries and Cooperatives recommended to the Chief Executive Officer, Ministry of Budget Management that the Corn Mill Plant be

cancelled since the **wrong plant** had been ordered. The Ministry had wanted a Minsa Plant.

2.33. Due to the fact that the Government of Belize and DE SMET had signed a contract, the process could not be reversed and as such, the company refused to refund the 15% deposit made upon signing the contract as well as the commitment made with the bank. The consultants suggested that since the monies would not be returned, they could use the monies to provide additional services and supplies. The additional services and supplies were not itemized to show the cost of each additional component. Therefore Audit was unable to say that value was received for the money paid.

2.34. Audit found serious flaws in the procurement of both the Comil Silo/Drying & Storage Plant and the Soya Crushing Plant and Soya Oil Refinery in that the Government of Belize failed to realize that some linking between the plants was required to complete the process. It was therefore necessary to link the Comil Silo/Drying & Storage Plant (COMIL delivery) to the Soya Crushing Plant (DE SMET delivery) as shown in the photograph below. It was obvious that the two companies and the consultants did not coordinate their efforts to ensure that all the processes were synchronized.

2.35. The picture shows a small silo in the background, which is used to gather dried soybeans and transport it via screw conveyors to the processing plant. The large yellow bins are used to discharge the various grains that the facility may be drying for a third party. Beneath is the incomplete weighbridge that would have calculated the tons of grains that is being discharged.



Screw conveyor to transport soybean to processing plant

Incomplete Weigh Bridge

Connectivity between storage and processing plant

- 2.36. The cost of the required components needed to complete the linkage and provide additional supplies was the same monies (US \$485,000.00 or \$973,055.50 Belize currency) used to pay for the Corn Mill, which had been cancelled.
- 2.37. These items include connectivity for the drying and storage facility and processing plant as explained above, as well as meal discharge apparatus, the provision of storage tanks for oil, soybean meal and soap stock. A drum and bag filling unit and basic laboratory equipment were also provided. The itemized list did not provide a costing breakdown of how the monies paid for the Corn Mill were utilized.¹
- 2.38. Audit is of the opinion that this loss could have been avoided if the consultants had done their due diligence in identifying what was needed to make the plant operational. Also, this neglect highlighted the fact that we were purchasing blind and had assumed the consultants would get us what we needed at a reasonable cost.



Soy Oil Storage Tanks
and meal cake



Drum Filling, bagging unit
discharge

- 2.39. Audit concludes that we did not know what we were purchasing and it was only after setting up the plants that we realized that there were other components needed to complete the plants. It is our belief that the Government was ill advised during the signing of the contract stages. Audit would like to know what the responsibilities of the consultants were with regards to this additional expenditure as they had negotiated with the contractors to build the storage facility and the processing plant.

Loss of Lease Payment (\$642,016.00)

- 2.40. The Ministry of Agriculture and the Ministry of Budget Management had entered into an eight-year operating lease on the 9th April 2001 with SA

¹ Cabinet presentation, 2nd March 2004

DE SMET ENGINEERS & CONTRACTORS to lease a Vacuum Storage Plant (Vacutainer) at a total cost of USD \$2,240,000.00 or yearly at US\$320,000.00 for eight years.

- 2.41. The Contract for the lease of the VACUTAINER comes into effect at the payment of the first year's rent. At the end of the contract period of eight years the equipment was to be returned to DE SMET.²
- 2.42. The VACUTAINER is a machine that vacuum packs products such as cereals, oil seeds, coffee and other food products and also pallet wrap the product for eventual supply to the customer. The machine was leased to bag Soya, cashew nuts, rice, and fishmeal and in the long term, it would be used to preserve organic soybeans.
- 2.43. The production capacity of the plant was 5 bags/minute of 25kg bags or 8 bags/minute of 5kg. This type of production can yield a yearly output of 18,800 tons in bags of 25kg.
- 2.44. On April 9th 2001 an official from the Ministry of Budget Management signed the lease contract for the Vacuum Storage Plant. The commencement date of this contract was September 28, 2001. Subsequent communication between the Contractors and Government of Belize dated 13th November 2001 revealed that both parties agreed to put the execution of the contract on hold for one year and the new commencement date was September 28, 2002. The reason for the delay was to allow Government to review whether the project had the capacity to utilize the equipment.
- 2.45. On 17th May 2001 the first lease payment was made through the Central Bank of Belize vide contract # 748 in the amount of six hundred forty-two thousand sixteen dollars (**\$642,016.00**). Audit was of the opinion that this payment would signal to the contractors that they wanted to lease the plant.
- 2.46. On the 15th February 2002 approximately nine months later, vide memo A/2202/02(15), the Chief Executive Officer, Ministry of Agriculture, Fisheries and Cooperatives wrote to the Chief Executive Officer, Ministry of Budget Management offering his opinion that the decision to lease the Vacutainer "*is not economically viable*". The memorandum further stated, "*The products that can make use of this equipment are not currently being produced in commercial quantities*". Based on the concerns of the Ministry of Agriculture, Fisheries and Cooperatives, the decision was made to terminate the lease. Attempts were made to recover the initial payment but to no avail.

² Contract Document between Ministry of Agriculture, Fisheries and Cooperatives and DE SMET, Pg 22

- 2.47. The letter written to Ministry of Budget Management dated November 23, 2001 revealed that article 3 of the amendment to the contract did not invalidate the payment made and the first rent payment of **\$642,016.00 made** at the signing of the lease contract would not be returned.
- 2.48. Audit was very concerned about this new development as Government had suffered a loss of **\$642,016.00**, which could have been avoided, as there was sufficient time to identify the viability of the plant with regards to our needs.
- 2.49. The fact of not doing a study clearly identified Government's inability to make informed decision with regards to the plants.

Loss Based on Appraisal of the Soybean Project (\$1,472,071.00)

- 2.50. The Soybean Project underwent two appraisals during the period under review. The Development Finance Corporation's Manager of Credit and Projects commissioned the first review.
- 2.51. On 22nd July 2005, the Chief Appraiser at DFC submitted a valuation report on the Soybean Project. The purpose of the report was to **"estimate the 'Market Value' which is the highest possible price in cost, terms equivalent to cash in other precisely revealed terms, for which the appraisal property will sell in a competitive market under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self interest and assuming that neither is under undue duress"**.

The appraiser valued the project at **\$9,792,071.00** which was broken down as follows:

<u>Description</u>	<u>Value</u>
Land (+/- 10.00 acres)	\$160,000.00
Buildings and Developments	\$3,259,484.00
Electrical Equipment	\$640,000.00
Equipment/Machinery	\$5,732,587.00
<u>TOTAL</u>	<u>\$9,972,071.00</u>

- 2.52. The second appraisal was done on the 21st January 2007 approximately one and half years later on the request of the Ministry of Agriculture. Its objective was to determine the market value of the project. The project was appraised at a value of **\$8,500,000.00**, which was a loss of **\$1,472,071.00** between the two appraisal periods.

2.53. The difference in appraised values speaks to the fact that the facility and its equipments were deteriorating at a rate of approximately **\$81,782** per month (\$1,472,071.00/18mths).

2.54. Audit visited the facility on several occasions and observed the rapid deterioration of the buildings and equipments. Also noted was the unsightly mess that was left behind by the Mennonite technicians as shown in the below photographs.



rotting supporting stantions



missing motor



Water in base of furnace



Electrical wires under water inside main control room



receiving Soya waste left in machine



Rotting soybean in grading and area

EXAMINING GOVERNMENT OBJECTIVES

Objective i

To provide alternatives for income and employment for the farming community and rural areas.

- 2.55. Audit examined government's objectives that justified the need to invest in the Soybean Project. With regards to providing alternative income and employment Audit is of the opinion that this objective was not satisfied, as the facility was not commissioned to provide employment opportunities. Furthermore, after government withdrew its subsidy interest in the project began diminishing.
- 2.56. At the inception of the project, machinery, equipments and farm inputs were provided to assist potential farmers in land preparation and planting of soybeans. In March 2004 Development Finance Corporation (DFC) conducted an assessment of the project equipment.
- 2.57. This assessment revealed that machineries and equipments were neglected and left to the elements. Some of these equipments became unserviceable while others had their values written down. Those that were serviceable were sold or transferred to other programs.
- 2.58. Therefore alternative income and employment creation only existed at the startup phase and subsequently failed after the funds dried up.

Objective ii

To diversify the sector by sizable expansion of soybean production.

2.59. Government tried to diversify the sector by expanding soybean production. Audit noted that soybean was being produced between June 2001 to June 2004. Reports reviewed revealed that during that period, soybean production was 4,438,274 lbs. Audit also noted gaps in the reporting of the planting cycles which skews actual production as shown below.

2.60. During that period, the machinery and equipments that were purchased to assist the farmers in the production process were neglected, sold or eventually transferred to another program.

Soy Bean planting cycle

<u>Description</u>	<u>June 2001</u>	<u>October 2001</u>	<u>June 2002</u>	<u>October 2002</u>	<u>June 2003</u>	<u>October 2003</u>	<u>June 2004</u>
<u>Harvested LBS</u>	532,365	384,939	?	220,970	3,300,000	?	Crop destroyed
<u>Acreage planted</u>	?	2000	?	329.3	1898	?	2072
<u>Cost</u>	?	?	?	\$247,000.00	\$460,670.59	?	?

Source: soybean Project reports

Objective iii

Reduce import of animal feed and lower the cost of animal feed.

2.61. Audit noted that during the period 2000 to 2006 the cost of importing Soy products had increased from 6,806383 lbs valuing \$13,449,927.00 to 48,894,994 lbs valuing \$21,472,230.00. Audit is of the opinion that this objective was not met, as production during that period was low. See above chart for ease of reference.

Objective iv

Re-opening the Libertad Sugar Factory.

2.62. With regards to the re-opening of the Libertad Sugar Factory, Government of Belize had received a grant of US \$ 5,000,000.00 or Bz \$ 9,981,000.00 on the 18th January and 19th February 1999 from the Republic of China (ROC) to re-purchase the factory.

2.63. Discussion with the Soybean Project Coordinator Mr. Ismael Cal revealed that a political decision was taken to put the facility to other use.

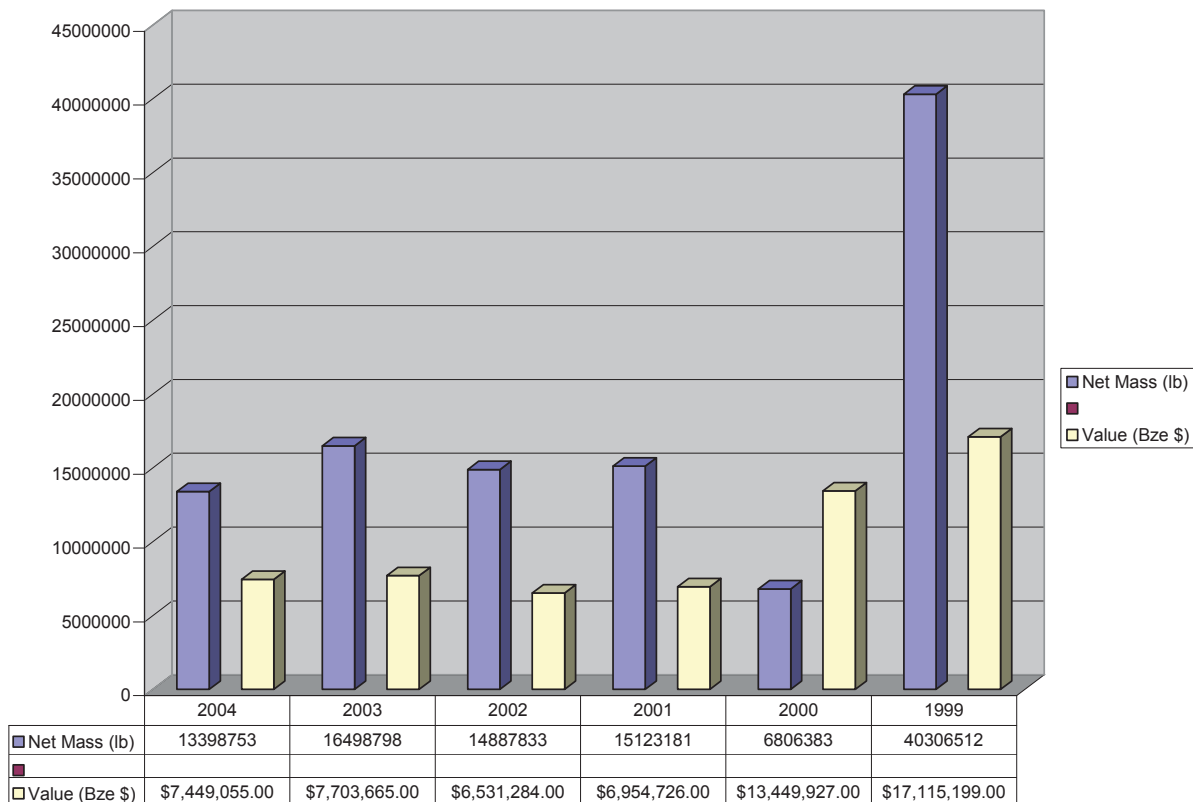
2.64. As a result the Project was moved to the Village of Yo Creek and the Libertad Factory was never re-opened. It had come to Audit's attention that Cabinet had approved the sale of the factory. Audit is of the opinion that this objective was not met.

Objective v

Increase the productivity and competitiveness of corn and soybean production.

2.65. Another objective of venturing into the Soybean Project was to increase productivity and competitiveness of corn and soybean production. Again it was the opinion of Audit that this objective was not met, as it was only in the startup stages that some productivity had been achieved and as such, it had not really impacted local demand.

2.66. The chart at paragraph 2.60 depicts the production of soybean during the period under review and compared with soya import statistics from Central Statistical Office (CSO) below, it can be seen that there was no increase in productivity. In fact, the below chart depicts that consumption of soy products was greater than our local production which also suggests that our production capacity could not be achieved.



Objectives vi-viii

- 2.67. With regards to “Increase efficiency of corn and soybean production through alternative plantations to preserve good soil characteristics, export soybean feed and soybean oil and develop an organic plantation of soybean for export of human food to U.S.A. and Japan”, Audit is of the opinion that these three objectives were not met.
- 2.68. This is so because the Soybean plant was not commissioned and farmers who had been identified as potential soybean growers had basically abandoned the project. In fact, during the startup stages, the Mennonites in both Blue Creek and Spanish Lookout settlements did the storage and processing of the harvested soybeans respectively. This suggests that if Government had created an enabling environment to assist these farmers and producers in their endeavors, the farmers could have had gotten their own plant at a cheaper price and at less risk to the government.

CHAPTER 3

Interviews

- 4.1. In an effort to understand the how the Soybean project was developed and the transition through the phases, Audit conducted interviews with officials of the Ministry of Finance and the Ministry of Agriculture and Fisheries as well as other individuals who had been part of the project.
- 4.2. According to Dr. Marcelino Avila, former Chief Executive Officer in the Ministry of Agriculture and Fisheries, the Government of Belize and the Government of Brazil had some special arrangement through the exchange of letters, to assist Belize in the production of Soybeans.
- 4.3. Government had identified a need for this project, which would be a viable alternative to farmers in diversifying the crops; create employment for people in the rural areas and reducing the foreign exchange from the importation of soy products for the feed industry.
- 4.4. There was a study and that the project was viable. He also said that the Government of Belize would create the industry and thereafter sell it off. The discussion also revealed that from the early stages of the project, members of the Mennonite Community showed serious interest in the development of the Soybean project.
- 4.5. The Government had looked at other industries but realized that the feed industry was quickly expanding and the need to reduce the foreign exchange from the purchase of animal feed was paramount. Also, the planting of Soybeans would revitalize old cane lands, which would increase the cane yields in subsequent seasons.
- 4.6. The planning of the project was good but the implementation of the various phases was poor. The success of the project was stymied because components of the project were not completed on time. Farmers were reluctant to give up cane lands to plant soybeans and the yields from the soybean crops had low profitability. The project also suffered many delays both on the agronomy side and the infrastructure for processing the Soybeans. These set backs resulted from poor coordination between the various agencies that were responsible for certain phases.

Former Financial Secretary Mr. Hugh McSweany said that:

- 4.7. The Soybean Project was one of Honorable Ralph Fonseca's growth economics projects. This project was to provide alternative farming practices

as well as reduce the foreign exchange burden. He said that the Government did not seek alternative means that would have met the needs of the project.

4.8. He further stated that the project did not progress at an appropriate rate and that monies were rationed out for the various projects that were being pursued. Thus monies were diverted from ongoing projects to meet the needs of other projects.

4.9. Aside from financial delays, the project was experiencing other problems such as lack of Ministerial collaboration, Ministerial capacity limitations and poor coordination of implementing agencies.

Former Chief Agriculture Officer Hugh Obrien said that:

4.10. The Minister of Budget Management and Dr. Avila were involved with project. He explained that the Ministry of Agriculture was not involved with the project at its inception. Also, Dr. Avila authorized the project.

4.11. No analysis was done at the inception of the project and that it was only after substantial investment had been made in the project that the economist at the Ministry did a study.

4.12. During the construction phase of the Soybean Project, it came to the attention of the Consultants and contractors that there was no connectivity between the grading/storage plant and crushing/ oil refinery plant.

4.13. Government had no understanding of the Soybean technology and that the in-house technocrats were not involved at the inception of the project. He further explained that he wanted to complete the project but he was removed from the Ministry. Also, there were other subsequent Chief Executive Officers who did nothing for the project.

Mr. Artemio Osorio, Senior Economist, Ministry of Finance said that:

4.14. The Minister of Agriculture, Daniel Silva and Dr. Marcelino Avila developed the Soybean Project. The Ministry of Agriculture was the implementing agency for the Soybean project and thereafter the Belize Marketing and Development Corporation took it over.

4.15. Government of Belize had not done any feasibility study at the inception of the project and had relied on a study done by the consulting group Airquip Exportadora e Importadora Ltda of Brazil through its affiliate Montiero Aranha Group.

4.16. A proper study was not carried out to determine whether the production capacity of the plant would be fully utilized. As a result, the

failure to produce soybeans in the quantity to utilize the plant at maximum had caused the authorities to put the lease of the Vacuum Packaging Machine on hold.

- 4.17. Mr. Osorio also said that a Corn Mill plant had been ordered and that the Ministry of Agriculture had recognized that the wrong plant had been ordered. They wanted a Minsa Mill. This error could not be corrected, as the funds were already committed through a contract.
- 4.18. Audit was informed by Mr. Osorio that Government could not get back its monies, but the contractor was willing to apply the funds to other services of the project at a value of US\$ 485,000.00.
- 4.19. Mr. Osorio also said that after the grant funds dried up, and Government had changed their fiscal policies, the Soybean project began experiencing delays and setback, which caused the project to become dormant
- 4.20. He also pointed out that the contracts signed with the various contractors clearly identified what was provided for the project and what was not. This will prove costly, as certain components require certain activities be performed before others can begin. For example, the purchase of the Oil Refinery needed a building to house it, which was not provided.
- 4.21. That he was not aware that any technocrats were sent to Brazil to ensure that what was being ordered was what was needed. Mr. Osorio went on to say that we could have saved monies had that been done.

Former Director Belize Marketing and Development Corporation (BMDC) said that:

- 4.22. The Ministry of Agriculture was the implementing agency while the Belize Marketing Board Corporation was providing assistance in implementing the project. The Corporation was to assist in the marketing of the final product but this aspect of the project never got started.
- 4.23. While some processes were not started, the BMDC took on other roles such as coordinating the construction of the storage plant and making payments for the construction phases as well as purchasing harvested soybeans from the Mennonites.
- 4.24. The Soybean Project was handed down from the Ministry of Finance and during the later period of 2002 and 2003 was when the Government lost interest in the Project. Further, while the Development Finance Corporation had channeled funds through the Marketing Board to pay for the various components of the Project, some of the funds received were used for administrative and salary expenses incurred by the Board.

- 4.25. Due to the signing of contracts for the procurement of equipment the Ministry of Finance was instrumental in acquiring the equipments for the second phase of the project although the first phase showed that our production capacity was not adequate.

Honorable Ismael Cal said that:

- 4.26. The Soybean Project had too much political interference as decisions were made by the Northern Caucus not to utilize the Libertad Sugar Factor for the Project. The Project was therefore transferred to Yo Creek Village.
- 4.27. Although he was the project coordinator, he did not have control of the project nor the project site and that he was not involved in the procurement of the equipments, but had made suggestions with regards to the needs of the farmers.
- 4.28. The soybean project did not achieve its objectives as government had paid for a turnkey plant, which was not commissioned. Also, there were many delays that hindered the completion of the project. There were times when the engineers were available but the equipments were not on hand.

Deputy Financial Secretary, Mr. Joseph Waight said that:

- 4.29. The Minister of Budget Management had made several trips to Brazil to negotiate the setting up of a Soybean Plant in Belize. It is his understanding that these negotiations were held with private sector consultants.
- 4.30. Mr. Waight said that untimely disbursement of funds had contributed to the many delays and project cost overrun. He also mentioned that this project was being undertaken during the time when Government was facing balance of payments difficulties and they had to restructure the national debt. As part of the restructuring, the Government of Belize had borrowed monies from the Royal Merchant Bank of Miami to pay off some components of the Soybean Project. These include New Holland Equipments phases one and two and Comil Silos.
- 4.31. Other problems cited by Mr. Waight were the poor feasibility study in which the Brazilians asked us to purchase equipment that was not needed as well as a facility that far exceeds our production capabilities. Also the logistics between the Ministry of Finance, the Ministry of Agriculture and the Belize Marketing and Development Corporation Board were not properly coordinated.

Chief Executive Officer Ministry of Agriculture

- 4.32. Discussion with Mr. Sergio Garcia, the Chief Executive Officer at the Ministry of Agriculture, Fisheries and Cooperatives revealed that the role of the Ministry was to implement the project.
- 4.33. Mr. Garcia was asked for the reason why the project was moved to the village of Yo Creek and he replied that the decision was political in that certain Government Ministers had other uses for the Libertad Sugar Factory and also there was not enough suitable farm lands in Corozal to sustain the project.
- 4.34. The question was asked as to what were the shortcomings of the project. Mr. Garcia stated that the main factor that affected the project was the untimely disbursement of funds which caused the project to be delayed as well as the lack of a feasibility study.
- 4.35. Questions were asked of the consultant's role in the implementation of the Soybean Project. Mr. Garcia explained that the consultants were responsible for the implementation of the project and that the Ministry of Agriculture was not satisfied with the consultants' performance.
- 4.36. Discussion with Mr. Sergio Garcia, the Chief Executive Officer at the Ministry of Agriculture, Fisheries and Cooperatives revealed that there were no products produced in commercial quantities to support the use of the Vacuum Packaging machine and as a result had recommended that the contract be cancelled.

Project Coordinator

- 4.37. Discussion with Miss Yvette Alonzo, former project coordinator during the period 2002-2004 revealed that she was hired to boost production of soybean. This entails the acquisition of seeds, coordinate land preparation and other inputs to prepare for the planting cycle and recruiting farmers for the project.
- 4.38. Miss Alonzo claimed that during her tenure, the Soybean project was experiencing a steady growth and thereafter the poor weather conditions had an impact on the crops.
- 4.39. The discussion also brought out that the farmers were subsidized with seeds, land preparation and other inputs. At the end of the harvesting period and the crop was sold the Belize Marketing and Development Corporation (BMDC) would deduct the cost of the subsidy and remit the balance to the farmer.
- 4.40. The project coordinator further stated that the subsidy was significantly reduced where the farmer assumes a higher risk in land

preparation and harvesting. Also, the recuperation of the costs Belize Marketing and Development Corporation had subsidized to the farmers had dried up, as they were not meeting their commitments, which were partially attributed to poor weather condition.

- 4.41. The coordinator also pointed out that the machinery and equipments were being utilized in assisting the farmers but they were oversized for the project at hand.

Mr. David Bergen said that:

- 4.42. He had approached the Government for assistance to purchase a soybean plant. On the 10th March 2000 a proposal to purchase a Soybean Processing Plant at an estimated cost of Bze \$ 400,000.00 was submitted to the Chief Executive Officer Ministry of Agriculture. In the proposal Bergen was prepared to finance 25% of the project and would seek a loan from Government through the Small Farmers Bank or Social Security to complete the purchase.
- 4.43. They had revised their plans for the Plant and approached Government again for assistance but none was received. Also, when the Government ran into trouble to complete the soybean plant, Mr. Bergen and some business associates approached Government with a view to complete and purchase the plant.
- 4.44. After the setting up of the plant, he had invested in soybeans to test run the plant. He further stated that government officials were not involved in the testing. Mr. Bergen had run the plant for about two to three days but the plant started to experience electrical failure, as there were overload problems that needed to be rectified.
- 4.45. He explained that the reason the plant is in a mess is because they thought that they would have taken over the facility. Also, the Engineer from the company responsible for setting up of the plant did not stay long to ensure its smooth running. Certain components of the oil refinery plant were incomplete and were never tested with regards to the production of soy oil for human consumption.

CHAPTER 4

MACHINERY & EQUIPMENTS & SPARE PARTS

The following observations, comments and suggestions are as a result of an Audit Inspection of the Soy Beans machinery, equipments and spare parts:

- 4.1. The biggest challenge for this inspection was lack of paper trail as follows:
- a.) Official documented authorization to transfer and take over machinery and equipments from one station to another were not presented.
 - b.) Invoices and customs entries to do verification were not presented.
 - c.) Inventory list of the machinery and equipments were only partially presented.

Machinery and equipments were purchased from Brazil and New Holland for a total of \$ 1,632,167.00 US as follows:

Country	Particulars	Amount	Total Price
Brazil	Combines	3	\$ 281,802.00
	Tractor	6	\$ 226,766.00
	Planters	4	\$ 61,357.00
	Sprayers	3	\$ 58,899.00
	Disc Harrows	10	\$ 47,930.00
	Rotary Cutter	1	\$ 2,760.00
	Platform for Corn	3	\$ 86,664.00
	Grain Wagons	4	\$ 26,532.00
	Combine Tracks	2	\$ 40,068.00
	Urea Applicator	1	\$ 5,303.00
	Front Loader	1	\$ 4,825.00
	Bucket	1	\$ 1,400.00
	Marker	1	\$ 500.00
	Seed Mixer	1	\$ 2,075.00
			<u>\$ 846,881.00</u>
New Holland	Combines	3	\$ 371,211.00
	Tractors	3	\$ 176,271.00
	Planters	7	\$ 132,762.00
	Tatu Spare parts	-	\$ 12,000.00
	Advance sprayers	3	\$ 75,972.00
	Markers	500 liters	\$ 2,000.00

	Jacto spare parts	-	\$ 8,000.00
	Water Carter	1	\$ 7,070.00
			<u>\$ 785,286.00</u>
		GRAND TOTAL USD	\$1,632,167.00

4.2. It was noted that when the Development Finance Corporation took over the project from the Government of Belize, a physical assessment was done on 30th June 2004 on the machines and equipments that were only two to three years old with low meter hours of operation.

4.3. Audit noted that poor handling, poor preventative maintenance, and no shelters for the machineries and equipments to protect them from the harsh weather was a factor in the accelerated depreciation of the equipments. Below are photographs of some of the equipments in Punta Gorda that were not protected from the elements.



TC57 s/n 2E846



TC57 s/n 2E847



Combine Header



Tatu Planter



Combine Header

- 4.4. Some of the machineries and equipments were sold to the public and due to their depreciated condition they were sold at a loss. Huge losses were incurred in the collection of revenue from the sales.
- 4.5. Listed at my appendix “A” are the machines and equipments that were sold by the Development Finance Corporation. Total revenue of \$ 230,065.75 was collected for the items. Audit noted that the Corporation suffered a loss of (\$140,653.76) due to the sale of the items below their book values.
- 4.6. A detailed check was carried out on all the machineries and equipments and the following equipments were unaccounted for. The Development Finance Corporation claimed the items were sold. Audit was not provided with the source documents to substantiate that claim.

Date	Machinery/ Equipment	Name	Value	Selling Price	Diff	Serial #
?	Front-end loader	Kevin Flowers	\$4825.00 USD	?	?	1093/12489
?	Bush cutter	Arliss Mai	?	?	?	1195/10368

- 4.7. The Yo Creek Agricultural Station was assigned to take over the soybeans project when the Development Finance Corporation handed it back to the Government of Belize on 31st March 2006. An inventory list was made for items received.
- 4.8. After the handing over process was completed, the Minister of Agriculture at the time sent some of the machinery, equipments and spare parts to the Agricultural Station in Elridge Village, Punta Gorda and CARDI in Central Farm. The remainder of the machinery and spares were left at Yo Creek. Listed at my appendices “B”, ”B1” and ”B2” are items found at the respective locations.
- 4.9. Listed below are two machineries located at Hill Bank in the Orange Walk District being utilized by the Agriculture Department:

Amount	Description	Serial #
1 Unit	Boom Sprayer No. 3 Advance Vortex	00527-D1
1 Unit	Planter	0400-15780

- 4.10. No official authorization documents were presented to audit for the transfers and taking over of these equipments. Also, two combine harvesters were left at Yo Creek; a TC57 combine harvester with serial number 2E580, which came with a factory defect and according to officials was never used. Also another TC57 harvester with serial number.2E582 was used; now both of them costing about BZ \$162,872.80 are used for scrap. This is a major loss.

SPARE PARTS & EQUIPMENTS

- 4.11. Neither spare parts nor equipments purchased for the Soy Beans Project were taken on charge and recorded to give proper accountability of what was used and what was not used.

- 4.12. On April 23, 2002, a mutual agreement was made between the Ministry of Finance and Budget Management and De Smet S.A. Engineers and Contractors for the purchasing of spare parts valuing \$ 208,021.00 as follows:

a.) Crushing and Refinery spare parts	-	\$ 156,144.50
b.) Cake Storage spare parts	-	\$ 2,725.50
c.) Utilities spare parts	-	\$ 37,151.00
d.) Packaging and transport cost from CEE countries to Belize City harbor	-	<u>\$ 12,000.00</u>
	US\$	<u>\$ 208,021.00</u>

- 4.13. From this contract, the beginning pages totaling \$24,416.00 of unknown parts was missing from the soybeans project file. A physical check was made by audit to verify the inventory list of the spare parts and equipments at the Yo Creek Station but this was unsuccessful as most of the spare parts were not presented for inspection.

- 4.14. Also listed at my appendices "C", "C1" and "C2" are spare parts located in a container and storeroom next to the soybean office, the soybean refinery section and the Punta Gorda Agriculture Station. These items were not inventoried.

- 4.15. Some of the equipments were found for the laboratory at the Yo Creek Plant. Again, most of these items could not be properly identified because they were not labeled. Listed at my appendix “D” and “D1” is a list of items not presented for inspection as well as items found on hand.

Vegetable Oil Refinery Parts

- 4.16. The vegetable oil refinery parts were all purchased from De Smet Rosedowns Ltd. in United Kingdom.
- 4.17. It had come Audit’s attention that three cases of parts for the vegetable oil refinery valuing \$ 22,605.00 USD vide invoice No. SIN 003984, dated 22.09.05 was cleared from the Belize Customs by the internal auditor of Central Farm vide Customs Entry No. 012217 dated 16 August 2006. These Parts were found At the Central Farm Agriculture Station. Please see my appendix “E”.
- 4.18. Listed below are other parts documents found for the refinery section:

Invoice Number	Date	Particulars	Amount
SIN003435	15.03.05	3 cases of parts	\$ 11,410.00
SIN003462	24.03.05	2 Parcels of parts	\$ 2,210.00
		TOTAL USD	\$ 13,620.00

Attached please find copies of the invoice for ease of reference.

- 4.19. No physical evidence was shown to satisfy Audit of the existence of these parts valuing \$13,620.00 USD. This is a major loss for the refinery section because this section was never completed.

Other Related Observations

1. A detailed check was carried out on all the machinery and equipments and the following, which the Development Finance Corporation claimed were sold, were unaccounted for:
 - a.) A front-end loader valued at \$ 4,825.00 USD was sold to Kevin Flowers Serial No. 1093/12489 for an unknown amount of money. No documented source was presented to show proof of payment for this equipment.

- b.) A bush cutter was sold to Arliss Mai Serial No. 1195/10368 for an unknown amount of money. No documented source was presented to show proof of payment for this equipment.
2. The corn mill contract was cancelled by the Government of Belize and a request was made to replace it with an order to supply additional equipments for the Soy Beans Plant such as the grain feeding of the crushing plant, cake discharge and storage, storage tanks and a complete set of laboratory equipments for testing. It was very difficult and tedious to verify the list of items purchased because from the beginning the equipments were not taken on charge to give proper description and accountability.

Belize Marketing and Development Corporation

3. The Belize Marketing Board Corporation had been active in the soybeans project from the implementation phase. The Board was an agent for the Ministry of Agriculture and was receiving funds to disburse for various stages of the project.
4. A review of records from the Development Finance Corporation and Ministry of Finance revealed that \$4,402,137.50 was channeled to the Belize Marketing Board Corporation during the period January 2000 to September 2005.
5. Audit visited the Belize Marketing Board Corporation to verify that all disbursements were received and recorded and used for the intended purpose. It was noted that many source documents for the project could not be found. The General Manager said that he had left all the records intact at the Corporation when he vacated the post.
6. As a result, Audit had to rely on the quick books accounting program maintained at the Corporation covering the period January 2000 to September 2005. Audit noted that **\$ 323,000.00** could not be traced to the Corporation's account as shown below. Audit was uncertain whether these amounts were applied to the Soybean Project or the Corporation's own activities.

Date	Amount	Description	Treasury Jnl Id	Ministry Combination
02/11/2001	\$100000.00	BELIZE MARKETING BOARD	CB01402112001	22017/84103/680/1373
12/11/2002	\$82000.00	BELIZE MARKETING BOARD	CB01412112002	22017/74103/210/1373/411001

14/10/2002	\$75000.00	THE BELIZE MARKETING BOARD	CB01414102002	22017/84801/210/1373/412016
13/01/2003	\$3000.00	THE BELIZE MARKETING BOARD	CB01413012003	22017/84103/210/1373/412016
14/10/2002	\$63000.00	THE BELIZE MARKETING BOARD	CB01414102002	22017/84103/680/1373/412016
TOTAL	\$323,000.00			

7. Listed below are parts which were purchased from national and international firms by the Belize Marketing and Development Corporation for the period 29.04.02 to 20.07.05 when the project had already bought spare parts:

Date	Name of Firm	Particulars	Amount	Remarks
29.04.02	Belize Marketing Board	Soybeans parts	\$ 3,250.00	Parts unknown
12.12.02	Western Feed Service	2 JD Moisture Tester	\$ 1,427.80	-
17.07.03	Johan Dyck	Parts for Heavy duty equipment	\$ 1,925.00	Heavy duty equipment unknown
04.08.03	RB Multiservice	Weed wiper	\$ 375.00	-
04.08.03	Bravo Motors	Rubber Cap Mounting	\$ 1,213.56	-
16.02.04	Associated Engineering Services Ltd	Switch Gears for Soy Beans Project	\$ 13,000.00	Prepayment
13.05.04	Associated Engineering Services Ltd	Switch Gears for the Soy Beans Project	\$ 72,290.00	-
07.09.04	Government of Belize	Power Cables for the Soy beans Plant	\$ 82,040.38	Prepayment
15.08.03	Jose Altair Rosa Machado	Bolts and Cables	\$ 570.80	Anchoring silos at Yo Creek
29.06.05	Development Finance Corporation	Parts from Desmet	\$ 46,170.71	Money received from DFC
30.06.05	Desmet	Parts from	\$ 13,928.10	Pro-forma
	Rosedown	Desmet		invoice #1700

8. Audit would like to know if the Belize Marketing and Development Corporation had the authority to purchase parts even though spare parts were bought for the project. Also what guarantees did Government get from the contractors who were working on the project?
9. Also noted from the Quick Books Program that the Marketing Board made two donations totaling \$5500.00 from the monies earmarked for the project as shown below.

Date	Cheque #	Name	Amount
5/9/2002	3064373	Margarita Barrado	\$2,000.00
10/7/2002	198	Anthony Ramos	\$3,500.00
TOTAL			\$5,500.00

FURNITURE & FIXTURES

10. It was noted on the logistical support for the soybeans project office in Yo Creek that the Belize Marketing and Development Corporation had purchased office furniture's & fixtures to commence it operations. The following serviceable items were not presented to audit for inspection:

Name of Firm	Particulars	Amount
Unknown	1 Printer	\$ 300.00
Mauricio Mejia	1 Digital Camera	\$ 400.00
Unknown	2 Book Shelves	\$ 200.00
Unknown	1 Computer	\$1,400.00
Unknown	2 UPS backups	\$ 350.00
Unknown	2 Cellular Phone	\$ 600.00

11. Listed below are unserviceable items not presented:

Automated Business Services	1 laptop	\$ 5887.00
Automated Business Services	1 notebook carrying brief case	\$ 165.00
	1 Fax machine	\$ 500.00
	1 Printer	\$ 300.00

12. Also it was noted on the logistical support of the project that a motorcycle was bought for \$ 4,000.00. The budget revealed that 500 gallons of fuel for \$875.00 and one spare tire for \$60.00 were budgeted.
13. No existence of this cycle can be found at any of the sites where the machinery and equipments were located. Audit would like to know if the cycle was actually purchased and where can it be located.

Outstanding Equipments

14. A water carter valuing at \$ 3,470.00 USD with serial no.200208 was not presented to audit for inspection that was transferred to the Punta Gorda Agriculture Station. The reason given was that it presently locked up in the private property of Minister M. Mes.
15. It is imperative that proper authorized documented evidence be prepared to show how a machinery or equipment is being disposed of.

RECOMMENDATIONS

- 4.20. It is recommended all machinery and equipments be properly sheltered from the elements and ensure preventative maintenance measures/policies are established to reduce the continued deterioration of the items as well as to protect them from vandalism or cannibalization.
- 4.21. Each recipient that receives machinery, equipments and spare parts must keep proper records of all serviceable items received and the disposal of all unserviceable items in accordance with the prevailing regulations.
- 4.22. From the evidence presented, it is evident that the Government of Belize failed to:

- a) Conduct a proper feasibility study at the inception of the project.
- b) Take adequate measures to secure its investment to prevent deterioration and loss.
- c) Meet its intended objectives.
- d) Commission the plant.
- e) Heed to the advice of the technocrats.

4.23. Audit therefore recommends that, in the future, whenever the Government of Belize invests in similar ventures, that proper analysis and assessment be carried out to ensure the cost effectiveness and viability of the project.

4.24. Audit also recommends that funds earmarked for projects be fully utilized with clear and sound accountability process implemented to guarantee a successful outcome of the project.

4.25. A project of this magnitude needs the respective implementing agencies to be committed to the successful completion on the project and the parties involved be held accountable.

CONCLUSION

4.26. The concept of producing and processing Soybeans in Belize to bring about economic changes in the country had not materialized. The country suffered huge losses due to lack of foresight and in some cases negligence. It is the firm belief of Audit that a project of this magnitude required serious planning and a dedicated team to see it through.

4.27. Through discussions and source documents it was established that the project suffered serious financial delays which contributed to setbacks and frustrations. The Government of Belize through the various implementing agencies did not achieve its objectives.

4.28. It is failures of this type that erode the confidence of stakeholders in Government's ability to provide sound economic growth. The lack of forward planning also causes government to incur huge losses. The lessons from this project should not go unheeded and should be used to develop sound project management strategies.

ACKNOWLEDGEMENT

I wish to acknowledge the efforts of the audit team led by Mr. Charles Flowers, Auditor, responsible for the investigation and the production of this report on the Soybean Project of Belize. I also take the opportunity to thank all those persons inside and out of the public service who cooperated with my office and provided information when requested.

AUDITOR GENERAL
Office of the Auditor General
Belmopan
31st July 2008

Appendix "A"

Reference paragraph 4.5 are a list of machinery and equipments that were sold

VEHICLE & EQUIPMENT THAT WERE SOLD

Date	Sold to	Qty	Description of item	Cost of Items	Diminish Value	Selling Price	Rec No.	Date
Purchased				C.I.F Bze				
24.07.01	Jose Mai for	1	Brand: New Holland	\$ 51,054.00	\$ 30,632.40	\$ 35,000.00	23812	21.01.05
	Arles Mai		Tractor TL90 4WD					
			Serial No. 9t964					
			Chases: 287787					
			Meter Reading: 613.5 Hr					
			License No. OWB-221					
13.09.01	Kevin Flowers							
	(DEC Ltd)	1	Tractor TM 120 4WD	\$ 78,056.00	\$ 46,833.60	\$ 35,000.00	36098	19.05.05
			Serial No. T2952					
			Chasis:287345					
			Meter Reading: 1588.9 hr					
			License No. OWB-216					
28.07.01	Kevin Flowers	1	Tractor TM 120	\$ 78,056.00	\$ 46,833.60	\$ 35,000.00	34037	06.04.05
	(DEC Ltd)		Serial No. T2951					
			Chasis: 287351					
			Meter Reading:018384					
			License No. OWB-215					
28.07.01	Kevin Flowers	1	Bucket Accessory	\$ 2,496.62	\$ 1,497.97	\$ 1,258.85	34237	14.04.05
	(DEC Ltd)		Serial No. 1885360					
			Harrows					
31.08.01	Eladio Garcia	1	Harrows	\$ 10,108.92	\$ 6,065.35	\$ 1,012.00	20168	01.09.05
			Serial No. 791/8999					
			Model GAICR Super TATU					
			Type: Disc					
31.08.01	John Krahn	1	Harrow	\$ 8,847.28	\$ 5,308.37	\$ 5,000.00	27399	19.05.05
			Serial No. 794/4522					

			Model: GAICR Super TATU					
			Type: Heavy Disc					
31.08.01	Jacob Wall	1	Urea Spreader	\$ 9,726.16	\$ 5,835.70	\$ 4,000.00	24745	21.02.05
			Serial No. 1089/10872					
			Planters PST 3					
08.01.01	Pedro Dyck	1	Planter	\$ 27,669.50	\$ 16,601.70	\$ 14,000.00	21749	25.10.04
			Serial No. 0400-14340					
			Type: 9 rows					
08.01.01	Pedro Dyck	1	Planter	\$ 27,669.50	\$ 16,601.70	\$ 16,601.70	21748	25.10.04
			Serial No. 0400-14341					
			Type: 9 rows					
17.10.02	Peter Knelson	1	Planter	\$ 37,932.00	\$ 28,449.00	\$ 5,000.00	21686	16.11.05
			Serial No. 0400-15777					
			Type: 9 rows					
08.01.01	Peter Knelsen	1	Planter	\$ 27,669.50	\$ 16,601.70	\$ 10,000.00	21954	28.11.05
			Serial No. 0400-14339					
17.10.02	Johan Knelson	1	Planter	\$ 37,932.00	\$ 30,345.60	\$ 22,000.00	21685	16.11.05
			Serial No. 0400-15778					
			Type: 9 rows					
17.10.02	Johan Bergen	1	Planter	\$ 37,932.00	\$ 30,345.60	\$ 4,091.50	22097	01.12.05
			Serial No. 0400-15782					
			Type: 9 rows					
17.10.02	David Redecop	1	Planter	\$ 37,932.00	\$ 30,345.60	\$ 5,000.00	45216	04.11.05
			Serial No. 0400-15783					
			Type: 9 rows					
17.10.02	Jorge Kroeker	1	Planter	\$ 37,932.00	\$ 30,345.60	\$ 5,000.00	21525	11.11.05
			Serial No. 0400-15779					
			Type: 9 rows					
			Boom Sprayers					
24.07.01	Pedro Dyck	1	Boom Sprayer No. 4	\$ 41,749.68	\$ 25,049.81	\$ 15,000.00	21472	07.11.05
			Advance Vortex					

			Serial No. 00528-D1					
	Pedro Dyck	1	Boom Sprayer No. 4			\$ 16,601.70	21663	18.10.04
			Advance Vortex					
			Plow					
31.08.01	Jose Mai	1	Plow	\$ 5,043.68	\$ 3,026.21	\$ 500.00	27501	20.05.05
			Serial No.792/4484					
			Model: AR/PR					
			TOTALS	\$557,806.84	\$ 370,719.51	\$ 230,065.75		

Appendix "B2"

Reference paragraph 4.8 are list of machinery and equipments found in Punta Gorda

VEHICLE & EQUIPMENT FOUND AT PUNTA GORDA

Date Purchased	location Found	Quantity	Description of item	Cost of Items C.I.F Bze	Depreciating Value
			Brand: New Holland		
28.07.02	Agricultural Station	1 Unit	Tractor TM 120 4WD	\$ 83,548.00	nil
			Serial No. T2954		
			Chasis: 287347		
			Meter Reading: 2349.7 hr		
			License No. OWB-219		
17.10.02	Agricultural Station	1 Unit	Tractor TM 135 4 WD	\$ 84,336.00	\$ 63,252.00
			Serial No. 3T583		
			Chasis No. 297312		
			Meter Reading: 553.8		
			License No. OWB-225		
17.10.02	Columbia Village	1 Unit	Case Agriculture Tractor	\$ 183,870.00	\$ 147,096.00
			Serial No. 20014		
			Type MX220		
			Meter Reading 333.7 hr.		
			Combine Harvester TC57		
17.10.02	Columbia Village	1 Unit	Combine Harvester TC57	\$ 247,474.00	\$ 185,605.50
			Serial No. 2E845		
			Chasis No. 13975		
			Meter Reading: 184.5		
17.10.02	Agricultural Station	1 Unit	Combine Harvester TC57	\$ 247,474.00	\$ 185,605.50
			Serial No. 2E846		
			Chasis No. 13976		
			Meter Reading: 157.9 hr.		
17.10.02	Agricultural Station	1 Unit	Combine Harvester TC57	\$ 247,474.00	\$ 197,979.20
			Serial No. 2E847		
			Chasis No. 13977		
			Meter Reading: 335.3 hr.		
			Boom Sprayer		
17.10.02	Agricultural Station	1 Unit	Boom Sprayer No. 1	\$ 50,648.00	\$ 37,986.00
			Advance Vortex		
			Serial No. 00972-G2		

			Grain Wagon		
24.09.01	Columbia Village	1 Unit	Grain Wagon	\$ 11,084.82	\$ 6,650.89
			Serial No. 00/011		
			Model: Reboke 6000		
24.09.01	Agricultural Station	1 Unit	Grain Wagon	\$ 11,084.82	\$ 6,650.89
			Serial No. 00/017		
			Model: Reboke 6000		
			Harrows		
31.08.01	Agricultural Station	1 Unit	Harrow	\$ 10,208.92	\$ 6,125.35
			Serial No. 791/8998		
			Model: GAICR Super TATU		
			Type: disc		
31.08.01	Agricultural Station	1 Unit	Harrow	\$ 10,208.92	\$ 6,125.35
			Serial No. 791/8997		
			Model: GAICR Super TATU		
			Type: disc		
31.08.01	Agricultural Station	1 Unit	Harrow	\$ 8,847.28	\$ 5,308.37
			Serial No. 794/4524		
			Model: GNCR Super TATU		
			Type: heavy disc		
09.08.11	Agricultural Station	1 Unit	Harrow	\$ 8,847.28	\$ 5,308.37
			Serial No. 794/4528		
			Model: GNCR Super TATU		
			Type: heavy disc		
			Combine Header		
28.07.01	Columbia Village	1 Unit	Combine Header 15ft	\$ 23,074.00	\$ 13,844.00
			Serial No. Z-2678		
			Chasis No. 11651		
02.08.02	Agricultural Station	1 Unit	Combine Header	\$ 23,074.00	\$ 13,844.00
			Serial No. Z-2982		
			Chasis: 14101		
02.08.02	Agricultural Station	1 Unit	Combine Header	\$ 23,074.00	\$ 13,844.00
			Serial No. Z-2984		
			Chasis: 14107		
			Combine Header-Maize		
08.08.01	Agricultural Station	1 Unit	Combine Header	\$ 53,368.00	\$ 32,020.80
			Serial No. G-2887		

			Model: 5561		
			Planter		
17.10.02	Agricultural Station	1 Unit	Planter	\$ 37,932.00	\$ 30,345.60
			Serail No. 0400-15781		
			Type: 9 rows		
			Combine Iron Tracts		
08.08.01	Agricultural Station	1 Unit	Combine Tracts	\$ 35,150.00	\$ 21,090.00
			Serail No. V8023		
			Model: 800300		
08.08.01	Agricultural Station	1 Unit	Combine Tracts	\$ 35,150.00	\$ 21,090.00
			Serial No. V8024		
			Model: 800301		
17.10.02	Columbia Village	1 Unit	Combine Tracts	\$ 35,150.00	\$ 21,090.00
			Serial No. V8056		
			Model: 800429		
			TOTALS	\$1,471,078.04	\$1,020,861.82

Appendix "B1"

Reference paragraph 4.8 are a list of machinery and equipments found at Yo Creek

VEHICLE & EQUIPMENT FOUND AT YO CREEK

		Quantity	Description of item	Cost of Items	Depreciating
Date				C.I.F Bze	Value
			Brand: New Holland		
24.07.01	Agricultural Station	1 Unit	Tractor TM 120 4WD	\$ 82,546.00	\$ 49,527.60
			Serial No. T2953		
			Chasis: 287343		
			Meter Reading: 01586.3 hr.		
			License N. OWB-219		
17.10.02	Agricultural Station	1 Unit	Tractor TM 135	\$ 84,336.00	\$ 63,252.00
			Serial No. 3T582		
			Chasis No. 297051		
			Meter Reading: 01294.1 hr.		
			License No. OWB-223		
			Combine Harvester TC57		
28.07.01 **	Agricultural Station	1 Unit	Combine Harvester TC57	\$ 143,344.00	\$ 86,006.40
			Serial No. 2E580		
			Chasis: 11747		
			Meter Reading: 399.7 hr.		
28.07.01 ****	Agricultural Station	1 Unit	Combine Harvester TC57	\$ 143,344.00	\$ 86,006.40
			with tracts		
			Serial No. 2E582		
			Chasis: 11749		
			Meter Reading: 430.2 hr		
			Boom Sprayers		
24.07.01	Agricultural Station	1 Unit	Boom Sprayers No. 6	\$ 19,258.18	\$ 11,554.91
			Falcon Vortex		
			Serial No. 02309-DI		
			Type: VO/100/35_H		
17.10.02	Agricultural Station	1 Unit	Boom Sprayer .	\$ 50,648.00	\$ 37,986.00
			Advance Vortex		
			Serial No. 00973-G2		
			Grain Wagons		
24.09.01	Agricultural Station	1 Unit	Grain Wagons	\$ 11,084.82	\$ 6,650.89
			Serial No. 00/014		
			Model: Reboke 6000		

			Combine Header		
28.07.01	Agricultural Station	1 Unit	Combine Header 15 ft	\$ 23,074.00	\$ 13,844.40
			Serial No. Z-2680		
			Chasis: 11658		
02.08.02	Agricultural Station	1 Unit	Combine Header	\$ 23,074.00	\$ 13,844.40
			Serial No. Z-2983		
			Chasis: 14106		
08.08.01 ***	Agricultural Station	1 Unit	Combine Header	\$ 53,368.00	\$ 32,020.80
			Serial No. G-2888		
			Chasis: 5617		
			Harrow		
09.08.01	Agricultural Station	1 Unit	Harrow	\$ 10,208.92	\$ 6,125.35
			Seraila No. 791/8996		
			Model: GAICR Super TATU		
			Type: disc		
09.08.01	Agricultural Station	1 Unit	Harrow	\$ 8,847.28	\$ 5,308.37
			Serial No. 794/4523		
			Model: GNCR Super TATU		
			Type: heavy disc		
17.10.02	Agricultural Station	1 Unit	Combine Tracts	\$ 35,150.00	\$ 21,090.00
			Serial No. V8057		
			Model: 800374		
			Plow		
31.08.01	Agricultural Station	1 Unit	Plow	\$ 5,043.68	\$ 3,026.21
			Serial No. 792/4487		
			Model: AR/PR		
31.08.01	Agricultural Station	1 Unit	Seed Mixer	\$3,544.24	\$2,463.25
			Seral No. MTS3301		
			Model: GRAZMAC		
16.02.02	Agricultural Station	1 Unit	Scraper	unknown	unknown
			Serial No. 0501947110R		
			TOTALS	\$ 696,871.12	\$ 438,706.98
	*** This Header was never used.		**** This combine was scrapped for parts	**This combine came with a defect, therefore it was scrapped for parts	

Appendix "B"

Reference paragraph 4.8 are a list of machinery and equipment found at CARDI

VEHICLE & EQUIPMENT FOUND AT CARDI

Date	Location Found	Quantity	Description of item	Cost of Items	Depreciating Value
Purchased				C.I.F Bze	
			Combine Harvester TC57	\$ 143,344.00	\$ 86,006.40
28.07.01	Cardi	1 Unit	Combine Harvester TC57		
			Serial No. 2E581		
			Chasis: 11748		
			Meter Reading: 405.3 hr		
			Boom Sprayer		
17.10.02	Cardi	1 Unit	Boom Sprayer	\$ 50,648.00	\$ 37,986.00
			Advance Vortex		
			Serial No. 00974-G2		
			Grain Wagon		
24.09.01	Cardi	1 Unit	Grain Wagon	\$ 11,084.82	\$ 6,650.89
			Serial No. 00/018		
			Model: Reboke 6000		
			Combine Header		
28.07.01	Cardi	1 Unit	Combine Header 15ft	\$ 23,074.00	\$ 13,844.40
			Serial No. Z-2679		
			Chasis: 11657		
			Combine Header-Maize		
02.08.01	Cardi	1 Unit	Combine Header	\$ 53,368.00	\$ 32,020.80
			Serial No. G-2886		
			Model: 5560		
			Planter PHT-2		
31.07.01	Cardi	1 Unit	Planter PHT-2	\$ 23,485.10	\$ 14,091.06
			Serial No. 0699-1011		
			Type: 5 rows		
			TOTALS	\$ 305,003.92	\$ 190,599.55

Appendix "C1"

Reference paragraph 4.14 are spare parts found in the store room next to the Office

MACHINERY & EQUIPMENT SPARES

Location	Quantity	Part Number	Description	Remarks
Box 1	1 only		Anchor Bracket	Harrow and
	3 only	11065	Wheel Hub	Plow Parts
	1 only	10705	Spacer	
	1 only	10705	Spacer	
	1 only	10607	Spacer	
	1 only	10817	Anchor Bracket	
	2 only	0LV1	Bearing	
	2 only		Hangers	
	1 only	O11107	Drag Link Bar	
	1 only	11108	Drag Link Bar	
	1 only	10890	Tensioner	
	4 only	1699	Steering Arm	
	2 only	11052	Steering Arm	
	2 only	1474	Steering Arm	
	2 only	20474	Coupler	
	1 only	1972	Anchor Bar	
	2 only		Support Bracket	
	1 only		Implement Spanner	
	3 only	1567	Farrow Wheel Hub	
	1 only	1830	Gang Holder	
	1 only		Combine Bracket	
	7 only		Springs for Planter	
	2 only	11161	Soil Ripper	
	6 only		Farrow Wheel Springs	
	1 only	10655	Spacer for Harrow	
Box 2	1 only		Shaft	Planter Parts
	1 only		Bracket for Planter	
	1 only	14D	Drive Member	
	2 only		Shaft Holders	
	3 only		Bracket Holder	
	4 only		Forks	
	2 only	11197	Shaft Adjuster	

	27 only		Rippers for Harrow	
	8 only		Farrow Tensioner	
	3 only	12 X 8	Torque Bar	
	4 only		Adjusting Bar	
	10 only		Retainer (Ring)	
	25 only		Drag Link Bars	
	9 only		Shaft for Planter	
Box 3	10 only		Farrow Wheel with Member	
Box 4	94 only		Fertilizer Spikes	
	39 only		Hose Connectors	
Box 5	15 only		Channnels for Planter	
Box 6	80 only	20401	Combine head Rippers	
Box 7	1 only		Spray Guard (Canvas)	Boom Sprayers
	6 only	PRO 1088	Gaskets	
	2 only		Pressure Valve	
	6 only		Support Brackets	
	1 only		Stand	
	3 only		Filters	
	1 only	F000510607	Pump Bosch	
	5 only		Lock Plates	
	3 only		Lock Plates 3 X 6 1/2	
	3 only	5185601	Stub Shaft	
	1 only	957829	Tarp Guard	
	1 only	Master Mark	Jacto Manometer	
	1 only	272302	Electronic Control Cable	
Box 8	85 only	No. 818	Knives for Combine Header	
	8 only		V Belts	
	1 bag	No. 8	Nut & Bolt	
	18 only	NH	Bracket	
	13 only	4 X 1	Plates	
Box 9	38 only	61	Spikes	
	56 only	2 X 3	Plates	

	15 only		Covers	
	3 pks		Galv. Clips	
	5 only		Plastic Bushings	
	5 only		Pinions	
<i>Box 9</i>	3 only	No. 30	Mounts	
		06-22.360.0009	Brackets	
	11 only		Hose Clamps	
	12 only		Bolts 1"	
	2 box		Washers 1-1 1/2	
	1 pk	05.01.032666	Seals	
	1 pk	05.03.03.0142	Gaskets	
	1 pk	05.03.03.0757	Gaskets	
	1 pk of 2	05.21.01.6316	Seal	
	1 pk of 2	05.21.01.85	Seal	
	1 pk of 2	05.11.01.1587	Seal	
	1 pk of 3	05.11.01.1927	Seal	
	1 pk of 2	05.12.01.8921	Seal	
	2 pk of 2	05.12.01.5376	Seal	
	1 only	05.02.04.0720	Bushing 3 1/2"	
	1 only	05.02.01.1930	Bearing	
	1 pk of 4	05.21.01.0309	Bushing	
	1 pk of 4	05.21.01.1510	Bushing	
	1 pk of 2	05.21.01.3510	Nut	
	3 pk of 10	05.03.01.1373	Bushing	
	1 pk of 2	05.01.06.1759	Pinion	
	1 pk of 2	05.11.01.7958	Bolt	
	1 pk of 2	05.02.01.1299	Bolts	
	1 only	905048	Pressure Key	
	1 pk of 2	05.01.01.747	U Clamp	
	1 only	05.01.01.00519	Nut	
	1 pk of 2	05.01.01.8922	Socket	
	1 pk of 20		Pins 1 1/2"	
	1 only	05.01.01.1323	Stabilizer	
<i>Box 10</i>	25 pk of 100	439-083	Filters	Sprayer Parts
	2 only	PA-PP	In Line Filter Covers	
	5 only	455-246	Brushes	
	1 pk		Nozzle Tips	
	2 only	833004	Valves	

	6 only	012-138	Rubber Seal	
	5 only	447870	Nipples	
		108126	Rubber Mount	
	3 pk	570-085	Seal	
	68 only	725-010	Screw Caps	
	6 only	944876	Connectors 3 X 2	
	5 pk of 10	725-002	Fastners	
	10 only	447-953	Sprinklers Connectors	
	17 only		Sprinklers Valves	
	4 pk of 100	730.317	Seal (Rubber)	
	2 kit	108126	Rubber Mounts	
	3 kit	978072	Rubber Seals	
	2 only		Brackets	
	21 pk of 10	341016	Washers	
	6 only	726695	Seals 1 X 5	
	2 only		Control Cables	
<i>Box 11</i>	1 only		Pulley	
	11 pk of 10	725010	Nozzle Caps	
	5 rolls	4650	In Line Plastic Hose	
<i>Box 12</i>	4 only		Filters for Respirators	
	6 pks of 2	127-399	Levers	
	3 only	621-438	Levers	
	3 only		Distributor Wire	
	1 pk of 6	944892	Injectors	
	36 pks of 5	37853	Bushings	
	18 only	992973	Nipples	
	1 only	448-027	Spray Nozzles	
	1 only	817395	Filter Covers	
	6 only	455-337	Regulators 12 V	
	1 only	770620	Mount	
	1 only	979-088	Lever	
	1 pk of 10	322-057	Seals	
	5 pk of 5	881-839	Seals	
	2 only	256-469	Sprinkler Connectors	
	6 only	556-746	Valves springs	
	2 only	507319	Valves	
	10 only		Plastic Holders	

	10 only	867085	Nozzles	
	4 pks of 10	342691	Plastic Clips	
	1 only	944-868	Hose Connector	
	2 pk of 5	455-923	Fuse	
	21 only	945998	Screw Knobs	
	9 pk of 100	333-138	Rubber Washers	
<i>Box 13</i>	10 only	4023	Planter Disc 13"	
	38 only		Planter Disc 15"	
	18 only		Planter Disc 18"	
<i>Box 14</i>	2 only	MEO14833	Oil Filters JC-350	
	1 only	1HB	Fuel Filters	
	5 only		Shim	
	6 only	110-304	Manifold	
	1 only	R824846	Inner Filter	
<i>Against Wall</i>	3 only	PST 3	Planter Buckets	
	3 box	8.8	Weights for Tractor	
	10	45 kgs	Weights for Tractor	
	30 bags		Nitro Fix	
<i>Store room No. 2</i>	1 pc	988-535	Carriage Holder	
	40 pc		Tubing for Sprayer	
	10 only	671-552	Plastic Guards	
	1 only		Combine step Ladder	
	1 box		Bracket Fastner for Corn Header	
	5 only	LB 88	Weights for Tractor	
	15 pc		Pipes for Sprayers	
	4 box of 4 gal	Futur 300	Insecticide	Expired
	30 litres	Futur 300	Insecticide	
	50 gal	Line Marker	Foam Reagent	

SPARE PARTS FOUND IN PUNTA GORDA

QUANTITY	ID NUMBER	DESCRIPTION	BRAND
16	503031050	UNKNOWN	TATU

10	503030392	UNKNOWN	TATU
5		HOSE	UNKNOWN
3	503030482	UNKNOWN	TATU
10		JACTO CAPS	UNKNOWN
5	05.11.01137	PST2	TATU
160	89	RED NOOZLE ENDS	UNKNOWN
9		VALVE SETS WITH CAPS	UNKNOWN
20		BIG VALVE CAPS	UNKNOWN
24		SML VALVE CAPS	UNKNOWN
1		FILTER	UNKNOWN
6		ASSORTED SPRING FOR PLANTER	UNKNOWN
5		SLEEVE	UNKNOWN
4	05.21.01.361	PST ACT	UNKNOWN
40	0	PST2	UNKNOWN
2 PK	BLADES	JACTO CLAMP	UNKNOWN
3		LARGE CAP	UNKNOWN
4		UNKNOWN	UNKNOWN
4		UNKNOWN	UNKNOWN
2		UNKNOWN	UNKNOWN
98	503030822	UNKNOWN	UNKNOWN
2	127381	UNKNOWN	UNKNOWN
2	127399	UNKNOWN	UNKNOWN

Appendix "C2"

Reference paragraph 4.14 are spare parts found the Soybeans Refinery Section

In Soy Beans Plant Area				
Location	Quantity	Part Number	Description	Remarks
Box 1	1 only	PR0000696 S/n 327695	Electric Motor 15.000 KW 60HZ (Leroy Somers	
	1 only	DN100PN10	Gate Valve	
	1 only	DN65PN16	Gate Valve Tee	
Box B	1 only	BOA-H	Gate Valve DN40 PN16	
	1 only	555756	Magnetized Gland	C00001536 Level Switch
	5 only	EN837-1	Bar Gauge	
	1 only	734TD301002	Liquid Level Switch	
	2 only	S0000306	Filters (Aluminum)	
	1 only	10050533	Seal Extractor	DN 100
	1 only	10050535	Seal Extractors	DN 100
	1 only	C00111653	WIKA Temperature Gauge	
	2 only	131421B	Bar Valve	DN 40-F
	1 only	1077A	Gate Valve	DN 65
	1 only	6626	Gate Valve	
	2 only	JL1040	Central Valve	1 big, 1 sml
	1 only	DN 40	Gate Valve	
	1 only		Strainer	
	1 box	24 only 16 X 70	Bolts	
	16 only		Bolts 4"	
	2 box	10 only 16 X 130	Bolts and Nuts	
	25 only	No. 48	Bolts	
	25 only	16 X 140	Bolts	
	1 box	No. 8.5	Bolts	
	1 bag of	40 only 6.8 M	Bolts	

Appendix "C"

Reference paragraph 4.14 are a list of spare parts found in a container on the Soy Beans Plant Compound

STOCK VERIFICATION
SOY BEANS OIL REFINERY MACHINE PARTS

Location	Quantity	Part Number	Description	Remarks
Floor (R) Side	1 only		Poly for Press	Oil Press Spare Parts
	1 only	4535-075	Tapir Looks	
	4 only		Weights for Inverter	
	4 only	13494	Bolts for Press	
	61 only		Metal Screens	
Top Shelf (R)	12 only		Grain Cleaner Screens	
Bottom Shelf (R)	6 only		Hose 1"	
	14 only		Conveyor Plates	
	1 only		Elevator Sleeve	
	1 Light		Elevator Chain	
	147 only		Pipe Flange (assorted size)	
	1 only		Galv. Elbow 4" 45*	
	1 only		Galv. Elbow 8"	
	12 only		Galv. Sleeves 8"	
Bottom Shelf (L)	12 only		Double Flight Screws	
	1 roll		Copper Tubing	
	1 only		Pipe Clamp	
Cabinet Pipe Fitting	10 only		Galv. Unions 2"	
	8 only		Galv. Union 1 ½ "	
	11 only		Reducers 1-3/4 Galv.	
	6 only		Reducers ¾-1/2	
	4 only		Galv. Sleeves 3"	
	1 only		Galv. Tee 2"	
	1 only		Tool Extractor	
	3 only		Check Valve 3"	
	2 only		Aluminum Tees 1 ¾	
	1 only		Aluminum Elbow 3"	
	1 only		Aluminum Elbow 1 ¾	
	7 only		Galv. Elbows 1" 45*	
	6 only		Aluminum Elbows	
	2 only		Galv. Elbows ½"	
	3 only		Galv. Plugs ¾	

	40 only		Galv. Union ½"	
	9 only		Galv. Union 1"	
	2 only		Galv. Union ¾	
	1 only		1" Tee	
	1 only		Galv. Tee 4"	
	2 only		Galv. Elbow 3"	
On Floor (L) side	6 only		Galv. Elbow 4"	
	2 only		Galv. Elbow 3" 45*	
	8 only		Galv. Elbow 2 ¾"	
	3 only		Galv. Elbow 2 ¼" 45*	
	9 only		Galv. Elbow 1 ½"	
	7 only		Elbows ½" 90*	
	2 only		Elbows ¾" 90*	
	5 only		Tees ½	
	9 only		Galv. Elbows 1 ½" 90*	
	3 only		Galv. Elbow 1 ¾"	
	2 only		Tee 1 ½"	
Top Shelf (R) Side	1 only	C01359	Flex Hose ½" 42928	Extractor Parts
in cartoon box	1 only	260/424	Flex Hose 1" 44786	
	1 only	1600 LW	Drive Belts (Mitsubishi)	
	4 only	1759	Seals	
	2 only	R21	Seals	
	1 only	30666	Oil Seals 2 ½ X 1 ¾	25163-123-000-5
	3 only	1524	Oil Seal	
	1 only	300943	Repair Kit	
	1 only	R23	Oil Seal 60 X 75 X 8	
	1 only	300472	Repair Kit Viton	
	1 only	25163-143	Oil Seal	005
	3 only	H-2310	Bearing	
	16 only	30226/14-A	Hangar Spring	
Shelf Top (R) Side	16 only	27257501	Plates 2 ½ X 11 ½"	Extruder Press
	27 only	2725/43063	HF Lining Bar	and Vibrator Parts
	1 set of 4	Pr01508	Springs	
	7 only	POR0001523	Drive Belts	
	5 only	1451	Drive Belts	
	1 set	PRO1509	Belts	
	2 only	SPC4500	Belt	
	3 rolls	½ X 12.7 mm	Stainless Steel Tape 100 ft.	

	1 set	PR001506	U-Joint	
	1 only	P210	Bearing	
	4 only	JG	Gaskets	
	4 box	48 pc./box	Hammer Plates 2 ½ X 6	
	1 only	601571249	Seal for Deodorizer Extraction Pump	
	3 only	70 X 35 mm	Seals	
	1 only	3.5 X 4.5	Seals	
	1 only	29 X 52	Seal	
	71 rolls	1023736	Sewing Threads	Fishbein Bag Closer
	6 only	C001050	U-Joints	Parts
	2 only		Fuel Filter	
	1 only	PU1152	Fishbein Bag Closer - sewing bags	
	1 only	PU1153	Fish being Bag Closer - sewing bags	
	1 only	415-X010M	Impeller	
	1 only	8DM-C0.8/B	Mechanical Seal	In Plastic Bags
	1 only	8DM-G016	Mechanical Seal	
	2 only	SS832376	Screws	
	2 only	RA-203	Keys	
	6 only	D-5RP	Needles	
	1 only	A1	Needle Pliers	
	2 only	A2500	Brushes	
	2 only	V0VVM	Needle Brackets	
	2 only	AA909	Belts	
	2 only	11210	Needle Brackets	
	2 only	AA500	Push Pins	
	8 only	6776A	Brushes	
	2 only	AA442	Bushing	
	4 only	SC54038	Screws	
	2 only	AAAR5	Springs	
	2 only	AA003	Slide Plates	
	2 only	AA443	Bushing	
	6 only	F64038	Screws	
	4 only	F748316	Screws	
	2 only	AA704	Springs	
	2 only	AA007	Slide Plates	
	4 only	AAAR4	Caps	

	6 only	AA50R	Nut	
	2 only	AA702	Pins	
	4 only	SS0323R6 HD	Screws	
	4 only	F3485N6	Screws	
	2 only	AA703	Slide Plates	
	2 only	AA300	Pins	
	4 Pks	40/Pk 30226- 67	Bags of Polypropylene	
	2 bags		Carburyle 80 WB 500 grs	
Top Shelf (R) Side	1 only	B15-096- F3L0	Filters	Oil Refinery Machine
in Box	2 only	F15-000-A3 HO	Olympian Filters	Parts
	2 only		Guides for Conveyors	
	2 only		17" Push Rods	
	2 only		11" Push Rods	
	35 only		Screws ½	
	4 only		Metal Bag Hangers	
	3 only		Conveyors Screw	
	34 only		Belts 2" X ¾	
	5 only		Hose Clamps	
	2 sets	VIT3RP	Rubber Seals	
	2 only	LFC	Liquid Filtration Belts	
	4 sets		Shims	
	2 sets		"O" Rings	
	2 rolls	N6 X 1/1	Plastic Hose	
	3 only		Magnetic Sensors	
	2 only	Norgren	Readable Switches	
	1 kit		Vibrator Seals	
	2 only	B05	Mercury Vapor Safety Lights	
	7 only		Fluorescent Bulbs	
	1 only		Fluorescent Fixture	
	1 sheet		Rubber Mat	
	1 sheet	No. 34	Fly Paper (for Gaskets)	
	1 sheet	2mm X 2m	Fly Paper	
Top Shelf (L) Side	2 only		Flex Hose	
Container End	1 only		Nut 2 ½"	
	1 only	PRO 648	Solitaire Hangar	

	1 box	PRO 1309	Spacers 1" X 0.020	
	1 box	PRO 1502	Spacers 1" X 0.050	
	2 box	PRO 1768	Spacers 1" X 0.010	
	1 box		Spacers 1" X 0.060	
	1 box		Spacers 1" X 0.030	
	1 box		Spacers 1" X 0.020	
	1 box		Spacers 1" X 0.040	
	2 box	PRO 1644	Spacers 1" X 0.015	
	1 box	SH00/014	Spacers SH00/014	
	1 box	SH00/019	Spacers 1" X 0.005	
	3 box	SH00/011	Spacers 1 X 0.040	
	1 box	SH00/01	Spacers 1 X 0.015	
	1 only	6528H	Pressure Valve	
	1 only	23030E	Roller Bearing	
	1 bag	# 89	Bolts 1"	
	34 only		Hose Clamps	
	1 Bag		Screws 2"	
	10 only		Sleeves ¾	
	2 pk.	24/pk. 27253017	Thin Lining Bar	
	5 pk.	8/pk. 43063	Thin Lining Bar	
	2 pk.	20/pk. 30174	Thin Lining Bar	
	1 pk.	24/pk. 30173	Thin Lining Bar	
Bottom Shelf (L) Container End	10 only	H918	MF Pulley with Worm	
	1 lght		Hose 2"	
	1 lght		Hose 2 ½"	
	1 lght		Hose 3"	
	13 only		Bruckel Holders	Extruder Parts
Top Shelf (L) Side	7 only		Galv. Channels 15"	
	1 only	149	Bearings Unit	
	2 only	F2075	Bearing Unit	
	2 only	SPA1700	Drive Belts	
	1 Bag		Retainers	
	4 only		Seals	
	1 set		Paperboard Seals	
	1 only		Drive Chain	
	7 only		Soya Dies 8" dia.	
	3 only		Extruder Hammers	

	22 only		Elevator Cups with bolts	
	6 only		Tensioner Couplings	
	1 only	3980-00A	Load Cell Tensioner	
	1 only	SPX2307/AD 17	Power Team Jack	
	2 only		Flex Hose (Metal)	
	1 only	730G	Hi Flex Hose	
	1 only	FT50438	Electric Motor	Need repairs
	4 only	7306905	Band It	111122
	1 only	133354	Gaskets	
In Plastic Bag (L)	2 only	111081	Bushing	
top shelf	1 only	123051	Diaphragm	
	2 only	111073	Bearing	
	1 only	176390	Flange	
	1 only	181913	Seal	
	4 only	00111078	Seal	
	2 only	11105	Bushings	
	2 only	111226	Bushing	
Bin A (L) side	2 only	LC1D09F7	Contacteur	Parts of Control Panel
	2 only	LC1D09P7	Contacteur	
	3 only	CAD32F7	Control Relay	
	1 only	CAD32P7	Control Relay	
	1 only	LC1D18P7	Contacteur	
Bin B	1 only	GV2-ME03	Motor Circuit Breaker	Electrical Spares
	1 only	GV2-ME03	Motor Circuit Breaker	
	1 only	GV2-ME05	Motor Circuit Breaker	
	1 only	GV2-RT10	Motor Circuit Breaker	
	2 only	GV2-ME06	Motor Circuit Breaker	
	1 only	GV2-ME14	Motor Circuit Breaker	
	2 only	GV2-ME16	Motor Circuit Breaker	
	1 only	GV2-ME20	Motor Circuit Breaker	
	1 only	GV2-ME21	Motor Circuit Breaker	
Bin C	1 only	GV2-RTO4	Motor Circuit Breaker	
	1 only	GV2-RT08	Motor Circuit Breaker	
	4 only	30226R	Motor Circuit Breaker	
	9 only	30226A2	Motor Circuit Breaker 1 off	
Bin D	6 only	30226-P	Electric Circuit Breaker 2 off	
	1 only	30226-M	Electric Circuit Breaker 3	

			off	
	4 only	GVAN20/03450	Electric Circuit Breaker	
	2 only	GVAN11/034348	Electric Circuit Breaker	
	1 only	GV3A01/04333	Electric Circuit Breaker	
	1 only	LADN22	Electric Circuit Breaker	
	1 only	GVIG09/021257	Electric Circuit Breaker	
Bin E	4 only	LADN11/038383	Electric Circuit Breaker	
	10 only	30226/AS	Electric Circuit Breaker 2 Off	
Bin F	6 only	GV2 G454	Integrate Circuit	1-Gu2454-5circuit
Bin G	2 only	RM100	Electric Circuit Breaker	
	6 only	22 X 55	Fuse	
Bin H	2 only	DH96AC-S	Digital Indicator	
	1 only	003/0A7	Contactor	
Bin I	6 only	471500	Mechanical Seal	
	1 only	460913	Mechanical Seal	
	1 only	416872	Mechanical Seal	
Bin J	2 only	4K9210	Main Bearings	
	2 set	UCECH209	Con Rod Bearings	
Bin K	6 only	23158-717-000-8	Bearings	
	1 only	M-UCP207DI	Bearings	
	2 only	UKP209DI	Bearings	
Bin L	4 only	30226/Elec AR	Circuit Breaker	
	1 only	XAL-J174	Control Box	
	6 only		Stop Switch	
	1 only	011474	Control Box	
Bin M	1 only	8443548	Temperature Regulator	
	1 only	8650241	Temperature Regulator	
Bin N	2 only	M-UCF210DI	Bearing Unit	
	2 only	M-UCF209DI	Bearing Unit	
Bin O	4 only	MUCF208DI	Bearing Unit	
Bin P	11 only	6305-63	Ball Bearing	
	1 only	C0004467	Ball Bearing	
	1 only	C0004466	Ball Bearing	

	1 only	C0003113	Ball Bearing	
	1 only	C0002776	Ball Bearing	
Bin Q	1 only	2000-10000 psi	Pressure Regulator	
	2 only	8443548	Temperature Regulator	
Bin R	2 only	I-16	Tire Flex	
	2 only		Compound Gauge	
	1 only		Vacuum Gauge	
Bin S	1 pk		Screws	
Bin S	12 only		Stop Switches	
Shelf No. 1	1 only	11105	Diaphragm	
	1 box		Filters & accessories	
	1 box	48-A	SK T HD Caps	
	1 only	NA00/446	Basing	
	1 only	GV2 RT06	Motor circuit Breaker	
	1 only	LCID 25F7	Contactor	
	1 only	82993172	Combustion Test Kit	
Shelf No. 2	3 only	326664	Temperature Gauge	
	2 only	320419	Temperature Gauge	
	2 only	392447	Temperature Gauge	
	3 only		Gas System Gauge 0-120*	
	3 only	EN837-1	Bar Gauge	
	4 only	EN837-3	Overpressure Bar Gauge	
	1 only	316SS	Overpressure Safe Bar Gauge	
	1 only	P1-4	Bar Gauge	
	4 only	GKFDIN8902 -40	Soy Beans Meter Gauge	
	2 only	EC96-500V	Meter	
	1 only	S001675	Bar Meter	
	1 box		Assorted Nipples	
	12 only	R27	Air Gas Connectors	
Shelf No. 3	1 set		Gaskets 4" (Paperboard)	
	1 set of 10		Gaskets 6"	
	21 only		Gaskets 8"	
	34 only		Gaskets 4 ½"	
	15 only		Gaskets 3 ½"	
	5 only		Gaskets 6 ½"	

	1 only		Gaskets 8 ½"	
	16 only		Gasket 6 ½" (Plastic)	
	5 only		Gasket 10 ¾"	
	31 only		Gasket 4 ¼"	
	50 only		Gasket 5 ½"	
	26 only		Gasket 5"	
	12 only		Gasket 3 ½"	
	16 only		Gasket 2 ¼"	
	6 only		Gasket 2 ¾"	
	1 only		Gasket 7 ½"	
	1 only		Gasket 3 ¼"	
	1 only		Gasket 2"	
	19 only		Gasket 8 ¾"	
	7 only		Gasket 36"	
	2 only		Gasket 30"	
	43 pks	N-292/48	Plastic Fasteners	
	4 pks		Galv. clips	
	6 only		Plastic Washers	
	16 only		Sleeves 1 3/8"	
	13 only		Nipples Plastic	
	5 only		Battery Terminals	
	1 pk.		Galv. Connecters	
	24 only		Wood Screws	
	7 lights		Conduits	
	1 lght		2" Aluminum Pipe 16 ft.	
	1 lght		1 ½" Aluminum Pipe 14 ft.	
	1 only		Tri Mode Berth Level Switch	
	1 only	6595	HD Air Wrench for Press	
Shelf No. 4	1 only	R034	Pressure Regulating Valve	
	1 only	R023	Pressure Regulating Valve	
	1 only	R021	Pressure Regulating Valve	
	1 only	G002	Pressure Regulating Valve	
	1 only	C30226	Diaphragm 50NB	
	1 only	30666	Control Valve	
	2 only	R35SB100	Gate Valve	
	1 only	R35SB200	Gate Valve	
	1 only	KSB200	Pressure Valve	
	1 only	G023	Gate Valve	

	2 only	DN65	Ball Valve 2 ½"	
	1 only	DN 50	Ball Valve 2"	
	4 only	DN 40	Ball Valve 1 ½"	
	3 only	DN 25	Ball Valve 1"	
	3 only	VALLCO	Gate Valve	
	1 only	PN125	Gate Valve	
	1 only	C0006576	Combustion Kit	
	1 only	AI0511	Safety Valve	
On Floor ® Side	1 roll		Electrical Cable 5/9	
	1 roll		Electrical Cable 3.8	
	21 sheets		Metal Sheeting 4 X 8	
	3 sheets		Roofing 16 ft.	
	1 only	33020	Transformer	
On Shelf ® Side	1 only	111696	Filters (allwieler)	Pump Parts that were in plant
	1 only	122138	Pump Connector	
	1 only	11302	Pump Connector	
	1 bottle	124856	Joint Oil	
	6 only	555754	Joint Gasket	
	1 only	P5613RDA	Bag Seal	
	1 only	P19631F	Bag Seal	
	2 only	PC5482	Bag Seal	
	2 only	C0000113	Chemise 25"	
	5 only	R5613RDB	Axle	p21.1
	1 only	R5613RDA	Axle	p21.1
	4 only	R5613ROB	Coupler	509132 garn.gnz
	1 only	02106003	Coupler	509118 garn.gnz
	2 only	P5613RC	Pinion	
	3 only	P1932	Tire Flex	t-04
	2 only	706698	Valves	DN65 2.5"
	2 only	P1832	Element	006303 p.0010
	1 only	P5613RDA	Impeller	p23.0
	1 only	PC5482	Impeller	p23.0
	1 only	706692	Check Valve	
	1 only	704648	Check Valve	
	1 only	706696	Check Valve	DN40 1.5"
	2 only	P19631F	Impeller	P23.0
	1 only	P1932	Pinion	P0030 D06308

	1 only	C0001241	Rubber Bushing	D01948 Coussinet P024
	2 only	D04150	Chemise	P52.3
	2 only	D04150	Chemise C0000109	P52.3
	1 only	C000204	Bracket	D02749 P45.2
	1 only	PN16	Hose Connector ½"	
	1 only	P1932	Tube Sealant	
	1 only	P5613RDB	Tire Flex	T-06
	10 only	6305-C3	Bearing	A04153 Roulement
	2 only	C0003113	Bearing	A04155 Roulement
	1 only	C0003110	Axle	P21.1
	2 only	16 G. H	Joint Gasket	
	2 only	20 G. H	Joint Gasket	
	2only	13 G. H	Joint Gasket	
	1 only	P9232	Bearing C00003111	A044160 Roulement 6303
	2 only	6513-GG	Unknown	P/23 Code S12703
	1 only	D92975	Gestra Valve	A126ocl.B

Appendix "D"

Reference paragraph 4.15 are list laboratory equipments not presented for inspection

LABORATORY EQUIPMENT

Amount	Particulars	Remarks
	1 Lovibond Colorimeter	Type: AF715
	3 Titration Equipment	
	1 Heating Plate With magnetic agitator	Capacity:800w
	1 Heating Plate	Capacity: 1.800w
	1 PH-Meter	with accessories
	1 Vacuum Pump	
	1 Vacuum Meter	at Hg
	2 Laboratory Chronometers	
	1 Water Distillator	Capacity:4l/hr
	1 Electrical Agitator	
GENERAL LABORATORY EQUIPMENT		
	25 Laboratory Statifs	DiaL13mm
	40 Double Spheres	
	35 Miscellaneous Pliers	
	10 Stainless Steel Screens	
	3 Creuset Pliers	
	4 Test Tube Statifs	
	1 Statif for Pipette	
	10 Hoffman Pliers	
	4 Wooden Pliers for Test Tube	
	1 Set of Perced Cork	
	2 Sets of Cones For Buchner Filters (Plastic)	
	1 Set of Spatulas in Stainless Steele and Porcelain	
	1 Assortment of 200 Mexicans with Plastic Stopper	
	1 Assortment of Sample Bags in Polyethylene 2 x 500	
	1 Assortment of Synthetic Plastic Tubes	
	1 Water Jet Stream Pump	
	1 Other Small Various Accessories	
	1 Electrical Heater for Glass Funnel	
	1 Assortment of 27 Accurate Laboratory Thermometer	
	2 Sets of 6 Laboratory Densimeters	
	1 Set of 7 Laboratory Beaume Type	
	1 Assortment of 24 Calibrated Flasks	(8x10 ml +10x25 ml + 6x50 ml)
	2 Picnometers	10 + 50 ml
	2 Hydrotitrimetric Burettes	
	5 Soxhlet Extraction Equipment	

- 5 Soxhlet Cartridges
- 4 Heating Mantels for Soxhlet
- 10 Kjeldahl Glass Equipment
- 12 Filtration Funnels With Accessories
- 1 Water Bosage Equipment Dean & Stark

DIFFERENT CAPACITIES OF LABORATORY GLASS EQUIPMENT

- 70 Low Type Form
- 30 High Type Form
- 25 Flasks
- 100 Erlenmeyers
- 35 Crystallizers
- 8 Evaporation Caps
- 5 Vigreux Columns
- 3 Pestle and Mortar in Porcelaine
- 1 Dessicator Set
- 3 Woolf Flasks

PORCELAINE MATERIAL OF DIFFERENT CAPACITIES

- 5 Buchner Funnels
- 8 Gooch Crucibles
- 10 Evaporating Caps
- 9 Calcination Crucibles
- 6 Calcinations Crucibles in Quartz

Appendix "D1"

Reference paragraph 4.15 are a list of items found on hand but could be verified against the purchase list

LABORATORY APPARATUS**CONTRACTOR OFFICE****FACTORY COMPOUND**

Location	Quantity	Part Number	Description
Cabinet Top (L) Side	1 only	1042026340	Computer Box for Scale
	1 only	052412A	Weight Scale Sensors
	1 only	ATU8HU54NA	Altiver No. 58 N998
	2 only	3001150	Control Box 503
	1 only	TCM44-0RD	Isotemp Breaker No.01742/04
	1 only	TRS830P	Ignition Transformer
	1 only		Santec Injector
	1 set		Ignition wires
	1 only	04 - 39	Injector
	1 only	No.52	Probe
	1 only	5845409	Contactactor LCI F400F7 30226/Elect c
	1 only	PH/MV-65931	Multi Parameter Analyser
	1 only	FI035	Tintometer Model F w/access.
	1 only	R221785	Falc Heater
	1 only	R221786	Falc Heater
	1 only	R221787	Falc Heater
	1 only	R221783	Falc Heater
	1 only	R221648	Falc Heater
	1 only	R221781	Falc Heater
	1 box		Falc Heater Spare Parts
	1 only	R221788	Falc Heater
	1 only	R221649	Falc Heater
	1 only	R221648	Falc Heater
	1 only	103664	Gerbertini Scale
	1 only	103663	Gerbertini Scale
	1 only	27230917	Vacuum Analyser Vacustat

	1 only	D-79112	Laboport Analyser
	1 only	30011240	Vertex Stirrer
	1 only	4012751	Velp Speed Control
	1 only	GFL Type 2000	Distillation Unit 10991202 J
	1 only	# 265	Pipette Support Rack Katel 560
	4 only		Pipette Support Rack Katel 560
	4 only	# 50	Pipette Clamps Metal
	1 only		Beaker 2000 ml
	4 only	25-45	Pipette Clamps Metal Md.
	14 only	30-50	Beaker Holder
	1 set		Beaker Holder
	10 only		Stainless Steel Probe
	1 only	01/48	Adaptor Gibertini
	6 only		Bunsen Burners Falc
	2 box	18/box I-330	Erlenmeyer Flasks 500 ml
	6 only	No.500	Plastic Bottles
On Floor	2 only		Luggage Carriers Chrome
	1 only		Collapsible Pipe Rack
	1 only		Water Container 25L
	1 box	28/box	50 ml Measuring Pipettes
	1 box	10/box	500ml Graduated Glass Beakers 212314404
	1 box	10/box	Graduated Glass Cylinders
Cabinet Top (L) Side	1 only	R 221782	Falc Heater
	1 only	P221784	Falc Heater
	1 bag		Assorted Plastic Stoppers
Top Shelf	250 pieces	10350245	Extraction Thimbles Filter Papers
	2 rolls		Rubber Hose
	10 pks		Auto Clave Bags
	2 bottle		Laboratory Solution
On Floor	1 box	5/box	Porcelain Cylinders 127C/1
	1 box	18/box	Graduated Glass Cylinders
	2 box	100/box	Plastic Bottles 250ml 290202
Inside Cabinet –Top	2 box	10/box No. 400	Beakers w/spout 400ml
Shelf	3 box	10/box No. 250	Beakers low form 250 ml cat no. 155

	5 box	10/box No. 100	Flash Narrow Neck 100 ml
	1 box	N0.155 8/box	Beakers Low Form measuring cups 150 ml n6000
	1 box	8/box No. 2350	Funnel plain glass
	1 box	8/box No. 075	Funnel 75mm
	2 box	10/box No. 100	Beakers low Form 100ml
Inside Cabinet-bottom	2 box	8/box I-330	Erlenmeyer Flasks 500ml
2 shelf (L)	22 only		Boro Glass Bottles 500 ml
	12 only		Boro Glass Bottles 250 ml
	12 only		Boro Glass Bottles 100 ml
	3 only	CSN	Flasks 500 ml
	1 box	78/box Duran	Sample Containers
	20 only		Test Tubes 10 ml
	27 only		Test Tubes 5 ml
	7 only		Test Tubes Qualicolor 5ml
	20 only		Test Tubes 2 ml
	1 box	15/box	Volli Pipettes 2 ml
	1 box	18/box	Graduated Pipettes 10 ml
	2 box	11/box	Graduated Pipettes 1 ml
	13 only	468	Aerometer
	10 only	466	Aerometer
	3 only	D-77	Alcohol Meter
	1 only	4065	Sacchari Meter
	1 only	18044	Saccharose Meter
	1 only	4204	Saccharose Meter
	1 only	Simax	Funnel
	1 only	Simax	Funnel md.
	1 only	Din B	Beaker 100 ml
Bottom Shelf ® side	3 only	470	Aerometer
	3 only	469	Aerometer
	1 only	7412	Forceps
	1 only	7414	Forceps
	5 only		Funnels
	1 only	CL36	Dissicater
	7 only		Pipette Stand (cork)
	2 only		Pyrex Glass Bottles 100ml
Floor (L) Hand	5 only	Blue color	Metal Shield 10 ½ X 15
	10 only		Metal Shield 6 X 5 ½”

	30 only		Push Rods 24"
Cabinet Drawer (L)	27 only	Glasfirm	Pipettes 10 ml
	1 only		Test Tubes
	2 only		Measuring Flasks 400 ml
	2 only		Measuring Flasks 250 ml
	2 only		Measuring Flasks 200 ml
	2 only		Measuring Flasks 5 ml
	3 boxes	1-330	Limabur Beakers Glass 250 ml
	2 only		Glass Bottles 2000 ml
	4 small		Glass Jar
	3 large		Glass Jar
	9 only		Glass Bottles 1000 ml
	20 only		Ilmador Glass Jars 500 ml
	2 pk	No. 4	Rubber Caps
	1 only	R1	Mantel Heater
	5		Flask 250 ml
	35 pieces		Assorted glass and Porcelain sets

Appendix "E"

Reference paragraph 4.17 the parts purchased for the vegetable oil refinery.

VEGETABLE OIL REFINERY PARTS

Item/Packages	Description	Quantity	Unit Price	Amount
30226/	ELECT-BT Multi Function Timer H.S. no. 91069010	\$ 1.00	\$ 77.00	\$ 77.00
	ELECT-BU F225 110 Volt Contractor H.S. no. 85353090	\$ 3.00	\$ 602.00	\$ 1,806.00
	ELECT-BV F185 110 Volt Contactor H.S. no. 85353090	\$ 1.00	\$ 528.00	\$ 528.00
	ELECT-BW 480 Volt Load Monitor H.S. no. 85389019	\$ 1.00	\$ 1,607.00	\$ 1,607.00
	ELECT-BX T P Breaker H.S. no.85352900	\$ 1.00	\$ 117.00	\$ 117.00
	ELECT-BY Green/Yellow Earth Cable H.S. no.85444190	\$ 1.00	\$ 719.00	\$ 719.00
	BELT Drice Belt XPC 3150 H.S. no.40103500	\$ 16.00	\$ 80.00	\$ 1,280.00
SOYACOMP	/A Radiator (Air Compressor) H.S.no. 84149010	\$ 1.00	\$ 5,733.00	\$ 5,733.00
	/B Transformer (Compressor) H.S. no.85042100	\$ 1.00	\$ 431.00	\$ 431.00
	/C Control Unit (Compressor) H.S. no. 85389019	\$ 1.00	\$ 1,976.00	\$ 1,976.00
SOYA BOIL	/A Pressure Transmitter(Boiler) H.S. no. 90262030	\$ 1.00	\$ 1,677.00	\$ 1,677.00
	Freight & Insurance Charges			\$ 495.00
30226/	INSUL-BLEACH Pack Insulation (Bleacher Vessel) H.S. no. 68066100	\$ 6.00	\$ 157.00	\$ 942.00
	INSUL-REFINE Pack Insulation(Refinery Vessel) H.S.no.68066100	\$ 10.00	\$ 177.00	\$ 1,770.00
	ELECT-BD Altivar 58 Inverter Card H.S. no.85371099	\$ 1.00	\$ 1,770.00	\$ 1,770.00
	ELECT-BQ Altivar 58 Inverter Card H.S. no. 85389019	\$ 1.00	\$ 155.00	\$ 155.00
	ELECT-BR Digital Panel Meter H.S.no.85389019	\$ 1.00	\$ 250.00	\$ 250.00
	ELECT-BS Temperature Probe H.S. no. 90328990	\$ 4.00	\$ 318.00	\$ 1,272.00
	TOTAL			\$ 22,605.00

